API Well Number: 43013515960000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☑

APPLICATION FOR PERMIT TO DRILL

1. WELL NAME and NUMBER Appaloosa 9-12D-5-5	
2. TYPE OF WORK DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○	**3. FIELD OR WILDCAT** BRUNDAGE CANYON
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO	**5. UNIT or COMMUNITIZATION AGREEMENT NAME**
6. NAME OF OPERATOR APPALOOSA OPERATING COMPANY LLC	**7. OPERATOR PHONE** 832 419-0889
8. ADDRESS OF OPERATOR 1776 Woodstead Ct., Suite 121, The Woodlands, TX, 77380	**9. OPERATOR E-MAIL** BPosey@AppaloosaEnergy.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Fee **11. MINERAL OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ○ FEE ◉	**12. SURFACE OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ◉ FEE ○
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Utah Division of Wildlife Resources	**14. SURFACE OWNER PHONE (if box 12 = 'fee')**
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 1594 West North Temple, Suite 2110, Salt Lake City, UT 84114	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') **18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ◉	**19. SLANT** VERTICAL ○ DIRECTIONAL ◉ HORIZONTAL ○

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1550 FSL 252 FEL	NESE	12	5.0 S	5.0 W	U
Top of Uppermost Producing Zone	2180 FSL 425 FEL	NESE	12	5.0 S	5.0 W	U
At Total Depth	1980 FSL 660 FEL	NESE	12	5.0 S	5.0 W	U

21. COUNTY DUCHESNE	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 170	**23. NUMBER OF ACRES IN DRILLING UNIT** 40
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1814	**26. PROPOSED DEPTH** MD: 6430 TVD: 6400
27. ELEVATION - GROUND LEVEL 6293	**28. BOND NUMBER** 0279065723	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** 49-2204

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
SURF	12.25	8.625	0 - 650	24.0	J-55 ST&C	8.6	Class G	310	1.15	15.8
PROD	7.875	5.5	0 - 6430	15.5	J-55 LT&C	8.9	Hi Lift "G"	180	3.82	11.0
							50/50 Poz	436	1.26	14.2

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	☑ COMPLETE DRILLING PLAN
☐ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
☑ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	☑ TOPOGRAPHICAL MAP

NAME Shirl Ames	**TITLE** Document Control Specialist	**PHONE** 307 675-6400
SIGNATURE	**DATE** 07/25/2012	**EMAIL** Shirl.Ames@woodgroup.com

API NUMBER ASSIGNED
43013515960000

APPROVAL

Permit Manager

RECEIVED: October 09, 2012

APPALOOSA OPERATING COMPANY, LLC

Appaloosa 9-12D-5-5

Surface Location: NE ¼, SE ¼ , 1550' FSL 252' FEL, Section 12, T5S, R5W, U.S.B. &M.

Bottom Hole Location: NE1/4, SE1/4, 1980' FSL 660' FEL, Section 12, T5S, R5W, U.S.B.&M

Duchesne County, UT

ONSHORE ORDER NO.1

DRILLING PROGRAM

1,2 Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas, and Other Minerals.

FORMATION	Depth @ SHL(TVD)	Depth @ BHL(MD)
Uinta Fm	On Surface	On Surface
Green River Fm	1800'	1806'
Mahogany	2490'	2500'
*Garden Gulch Mbr	3550'	3565'
*Douglas Creek Mbr	4333'	4352'
*Castle Peak Mbr	5240'	5264'
*Uteland Butte Mbr.	5690'	5716'
Wasatch	6090'	6118'
TD	6400'	6430'

*PROSPECTIVE PAY

Appaloosa is locating the well at the proposed surface location and directionally drilling to the proposed bottom hole location. By drilling directionally, Appaloosa Operating Company will improve field development efficiency by potentially combining multiple surface hole locations together. This will significantly reduce total surface disturbance plus combine the use of access roads and existing pipelines. Furthermore, Appaloosa hereby certifies that it is the sole working interest owner with 460 feet of the entire directional well bore.

3 Pressure Control Equipment (Schematic attached)

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc. A 2M system will be utilized. The attached diagram depicts the use of an annular in conjunction with double rams. However, an annular, double rams, or both may be used depending on the drilling rig contracted. Chart recorders will be used for all pressure tests.

RECEIVED: July 25, 2012

Test Charts with individual test results identified, shall be maintained on location while drilling and shall be made available to a representative upon request.

All required BOP tests and/or drills shall be recorded in the IADC report.

The anticipated bottom hole pressure will be less than 2,000 psi.

4 Proposed Casing and Cementing Program

The proposed Casing Program will be as follows:

Purpose	Depth	Hole Size	Casing Size	Type	Connection	Weight
Surface	650’	12.25”	8.625”	J-55	ST&C	24#
Production	6430’	7.875”	5.5”	J-55	LT&C	15.5#

Surface	Fill	Type and Amount
0’-650’	650’	Approximately 310 sks Class “G” (Type III) cement + additives or a similar slurry with a minimum weight of 15.8 ppg and approximate yield of 1.15 cf/sk, minimum 24 hr compressive strength = 500 psi (Cement will be circulated to surface and topped off, If necessary.)

Production	Type and Amount
0’ - 3500’	Approximately 180 sks HiFill Lead Cement + additives or similar slurry with a minimum weight of 11.0 ppg and approximate yield of 3.82 cf/sk
3500’ – 6430’	Approximately 436 sks 50/50 Poz Tail Cement + additives or a similar slurry with a minimum weight of 14.2 ppg and approximate yield of 1.26 cf/sk

For production casing, actual cement volumes will be determined from the caliper log plus a minimum of 15% excess.

5 Drilling Fluids Program

Interval	Weight	Viscosity	Fluid Loss	Remarks
0’-650’	8.3-8.6	27-40	NC	Spud Mud
650’ – TD	8.6-8.9	27-40	NC	KCL Water

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Appaloosa Operating Company, LLC will use either a Manual or Electronic drilling fluid monitoring system on all well sites.

6 Evaluation Program

Logging Program:	HRI-GR-SP with SDL-DSN-PE: surface casing to TD. Preserve samples from all show intervals.
Sampling:	10’ dry cut samples: Douglas Creek to TD. Preserve samples from all show intervals.
Surveys:	As deemed necessary
Mud Logger:	As deemed necessary
Drill Stem Tests:	As deemed necessary
Cores:	As deemed necessary

7 Abnormal Conditions

No abnormal temperatures or pressures or other hazards are anticipated.

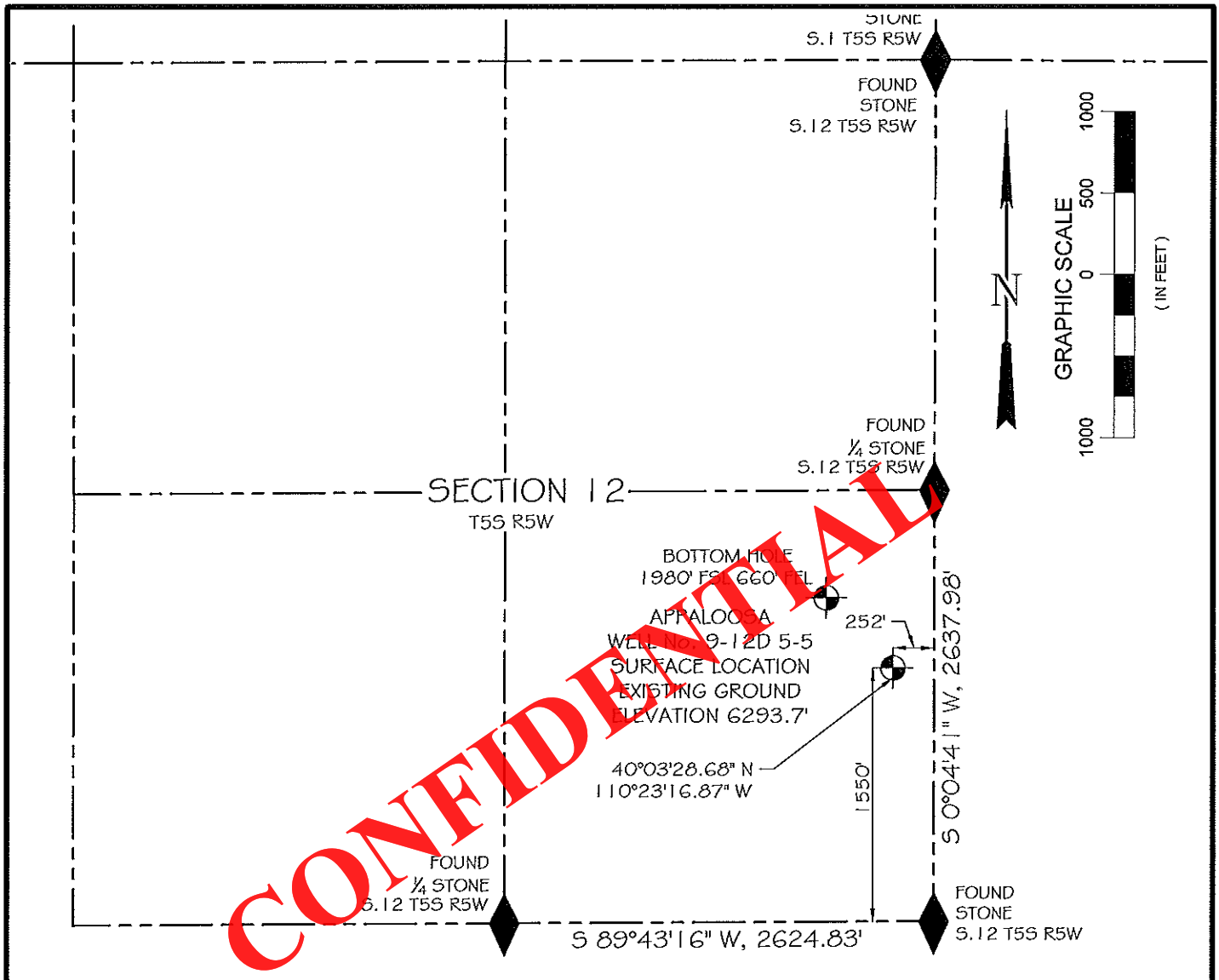
8 Anticipated Starting Dates and Notification of Operations

Drilling Activity:

Anticipated Commencement Date:	Upon approval of the APD.
Drilling Days:	Approximately 9 days.
Completion Days:	Approximately 7 days

RECEIVED: July 25, 2012

API Well Number: 43013515960000



CONFIDENTIAL

BASIS OF BEARING
Geodetic North at CP WOOD
40°04'04.86465" N, 110°23'05.75067" W (NAD 83)

BASIS OF ELEVATION
NAVD 88 using Geoid 09

CERTIFICATE OF SURVEYOR

STATE of WYOMING)
COUNTY of UINTA) ss

I, Cloey C. Wall, of Uinta Engineering and Surveying, Inc. hereby state that I am by occupation a Professional Land Surveyor employed by the Wood Group PSN to make the survey of the well described and shown on this plat; that the survey of said works was made under my supervision and under my authority and that such survey is accurately represented hereon.

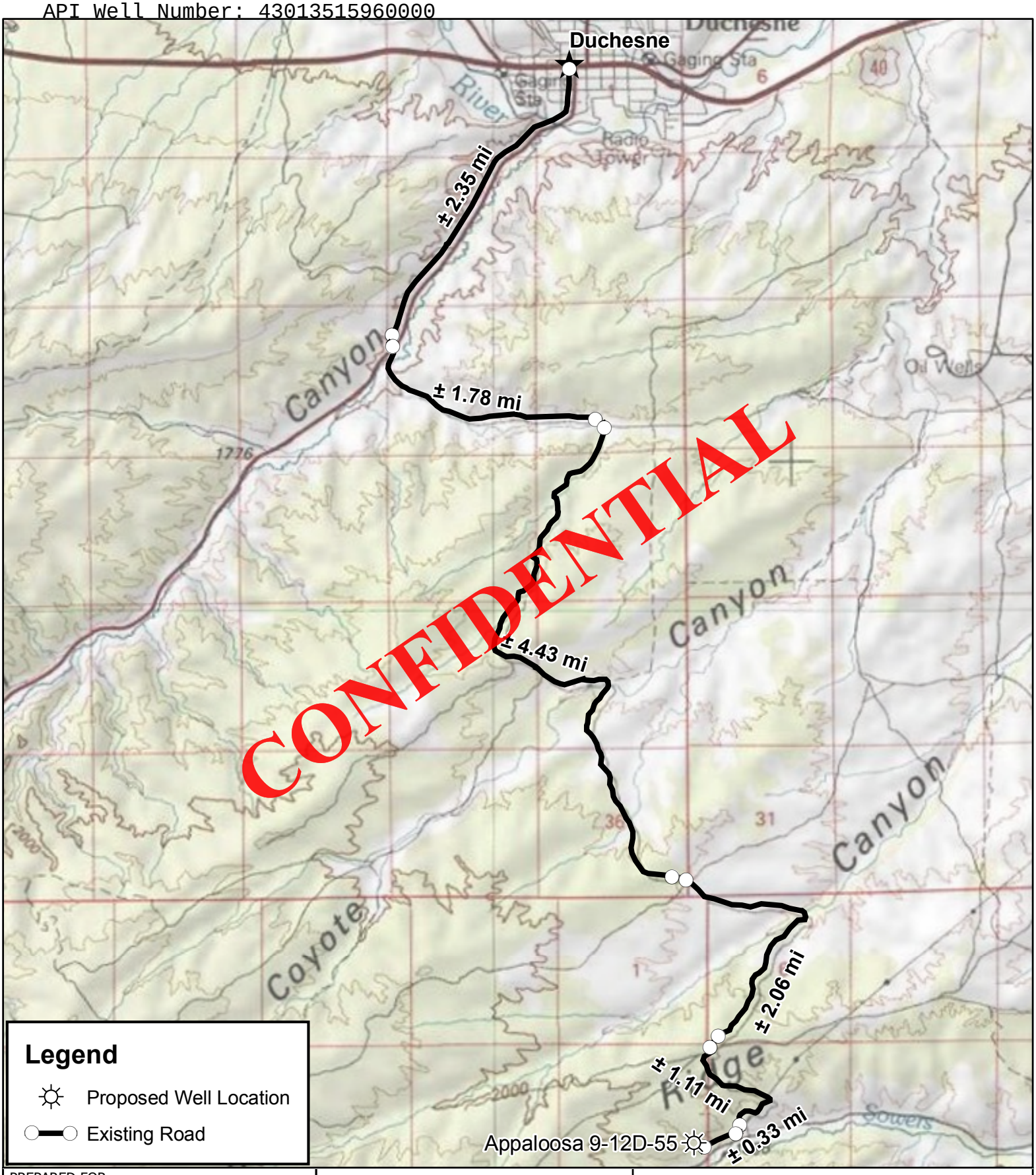
PROFESSIONAL LAND SURVEYOR
No. 324872
CLOEY C. WALL
7/18/12
STATE OF UTAH

Map to ACCOMPANY
APPLICATION FOR for PERMIT to DRILL
APPALOOSA WELL No. 9-12D 5-5
1550' FSL, 252' FEL
SECTION 12, T5S, R5W, USB&M
DUCHESNE COUNTY, UT

UINTA ENGINEERING & SURVEYING, INC.
85 SOUTH 200 EAST
VERNAL, UTAH 84078
435-789-1365
FAX 435-789-1813
UES
Established 1973

DATE: 05/26/12 JOB #: 12-113 FILE: 12-113
DRAWN BY: Theresa Weston SURVEYOR: Cloey Wall

API Well Number: 43013515960000



PREPARED FOR:

APPALOOSA ENERGY LLC

CREATED BY:

WOOD GROUP PSN

N

APPALOOSA ENERGY

Appaloosa 9-12D-55
SEC. 12, T5S, R5W
Duchesene County, UT

DRAWN BY: MANNY RODRIGUEZ
DATE: 7/12/2012
SCALE: 1 inch = 4,500 feet

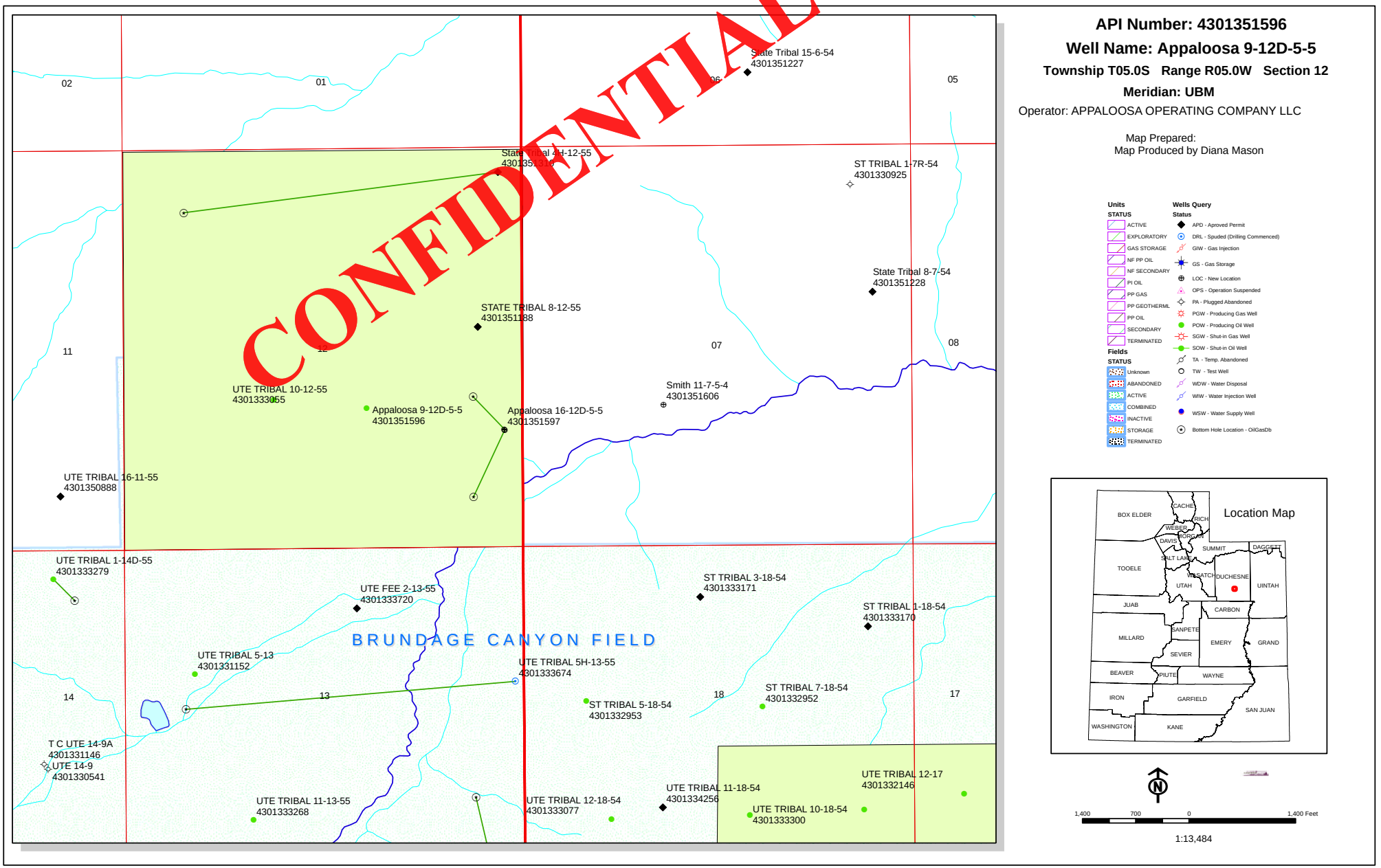
ACCESS ROAD MAP

TOPOGRAPHIC MAP

SHEET
A

RECEIVED: July 25, 2012

API Well Number: 43013515960000



API Number: 4301351596

Well Name: Appaloosa 9-12D-5-5

Township T05.0S Range R05.0W Section 12

Meridian: UBM

Operator: APPALOOSA OPERATING COMPANY LLC

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Fields
STATUS
Unknown
ABANDONED
ACTIVE
COMBINED
INACTIVE
STORAGE
TERMINATED

Wells Query
Status
APD - Aproved Permit
DRL - Spuded (Drilling Commenced)
GIW - Gas Injection
GS - Gas Storage
LOC - New Location
OPS - Operation Suspended
PA - Plugged Abandoned
PGW - Producing Gas Well
POW - Producing Oil Well
SGW - Shut-in Gas Well
SOW - Shut-in Oil Well
TA - Temp. Abandoned
TW - Test Well
WDW - Water Disposal
WIW - Water Injection Well
WSW - Water Supply Well
Bottom Hole Location - OilGasDb

1,400 700 0 1,400 Feet

1:13,484

RECEIVED: July 31, 2012

API Well Number: 43013515960000

Well Planning Proposal

FOR

Appaloosa Operating Co. LLC
Appaloosa 9-12D-5-5
Duchesne Co., UT

Well File: Design #1 (7/23/12)

Presented By:

Pat Rasmussen
Regional Manager

Bret Wolford
Well Planner

Sperry Drilling Energy Services

RECEIVED: August 01, 2012

API Well Number: 43013515960000

Appaloosa Operating Co. LLC
Project: Duchesne Co., UT (NAD83)
Site: Sec.12-T5S-R5W
Well: Appaloosa 9-12D-5-5
Wellbore: Wellbore #1
Design: Design #1
Latitude: 40° 3' 28.680 N
Longitude: 110° 23' 16.870 W
Ground Level: 6293.70
WELL @ 6293.70usft (Original Well Elev)

Sharewell Energy Services

PROJECT DETAILS: Duchesne Co., UT (NAD83)

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: Utah Central Zone

System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well Appaloosa 9-12D-5-5, True North
Vertical (TVD) Reference: WELL @ 6293.70usft (Original Well Elev)
Section (VS) Reference: Slot - (0.00N, 0.00E)
Measured Depth Reference: WELL @ 6293.70usft (Original Well Elev)
Calculation Method: Minimum Curvature

WELL DETAILS: Appaloosa 9-12D-5-5

Ground Level: 6293.70

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	7191772.891	1951651.739	40° 3' 28.680 N	110° 23' 16.870 W	

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

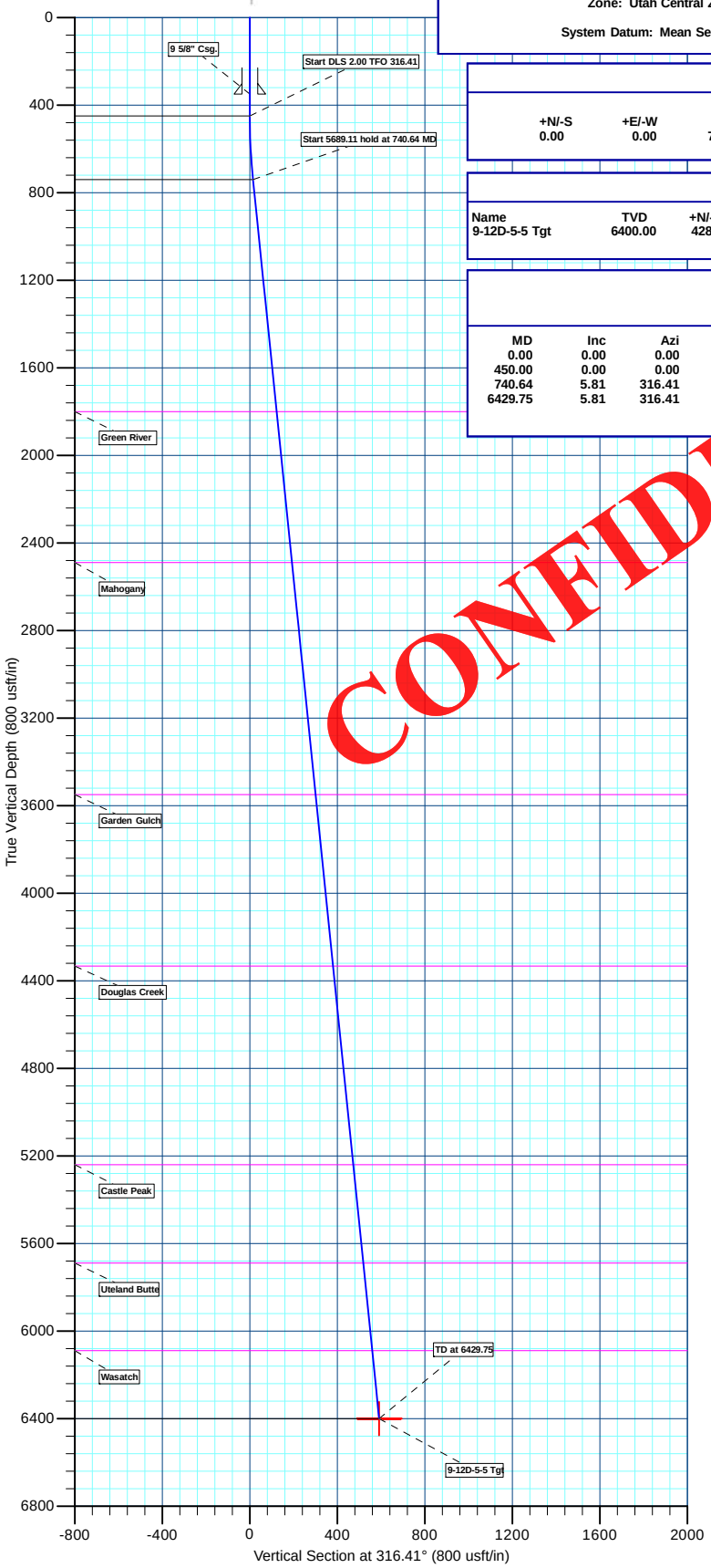
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
9-12D-5-5 Tgt	6400.00	428.02	-407.42	7192195.813	1951239.029	40° 3' 32.910 N	110° 23' 22.110 W	Circle (Radius: 100.00)

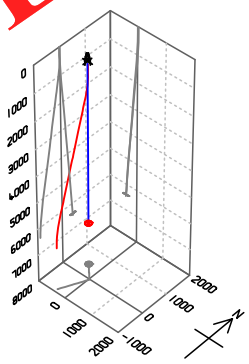
SECTION DETAILS

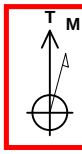
MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSect	Annotation
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	Start DLS 2.00 TFO 316.41
740.64	5.81	316.41	740.15	10.67	-10.16	2.00	316.41	14.73	Start 5689.11 hold at 740.64 MD
6429.75	5.81	316.41	6400.00	428.02	-407.42	0.00	0.00	590.92	TD at 6429.75

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1800.00	1805.98	Green River
2490.00	2499.54	Mahogany
3550.00	3565.02	Garden Gulch
4333.00	4352.07	Douglas Creek
5240.00	5263.76	Castle Peak
5690.00	5716.08	Uteland Butte
6090.00	6118.15	Wasatch

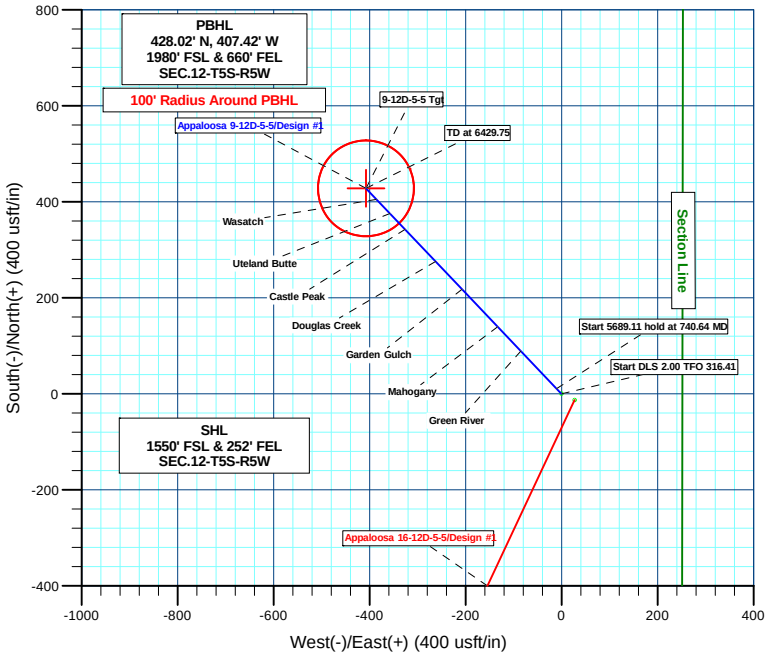






Azimuths to True North
Magnetic North: 11.30°

Magnetic Field
Strength: 52116.1snT
Dip Angle: 65.71°
Date: 2012/07/23
Model: IGRF2010



Plan: Design #1 (Appaloosa 9-12D-5-5/Wellbore #1)

Created By: Bret Wolford Date: 14:49, July 23 2012

RECEIVED: August 27, 2012

API Well Number: 43013515960000

Appaloosa Operating Co. LLC

Duchesne Co., UT (NAD83)
Sec.12-T5S-R5W
Appaloosa 9-12D-5-5

Wellbore #1

Plan: Design #1

Standard Planning Report

23 July, 2012

Sharewell Energy Services

RECEIVED: August 01, 2012

Sharewell Energy Services
Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Company:	Appaloosa Operating Co. LLC	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	**North Reference:**	True
Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Project Duchesne Co., UT (NAD83)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Central Zone		

Site Sec.12-T5S-R5W

Site Position:		**Northing:**	7,191,772.896 usft	**Latitude:**	40° 3' 28.680 N
From:	Lat/Long	**Easting:**	1,951,651.739 usft	**Longitude:**	110° 23' 16.870 W
Position Uncertainty:	0.00 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	0.71 °

Well Appaloosa 9-12D-5-5

Well Position	**+N/-S**	0.00 usft	**Northing:**	7,191,772.896 usft	**Latitude:**	40° 3' 28.680 N
	+E/-W	0.00 usft	**Easting:**	1,951,651.739 usft	**Longitude:**	110° 23' 16.870 W
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	usft	**Ground Level:**	6,293.70 usft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	07/23/12	11.30	65.71	52,116

Design Design #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	316.41

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00	
740.64	5.81	316.41	740.15	10.67	-10.16	2.00	2.00	-15.00	316.41	
6,429.75	5.81	316.41	6,400.00	428.02	-407.42	0.00	0.00	0.00	0.00	9-12D-5-5 Tgt

Sharewell Energy Services

Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Company:	Appaloosa Operating Co. LLC	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	**North Reference:**	True
Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
9 5/8" Csg.									
350.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
Start DLS 2.00 TFO 316.41									
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	1.00	316.41	500.00	0.32	-0.36	0.44	2.00	2.00	0.00
600.00	3.00	316.41	599.93	2.84	-3.21	3.93	2.00	2.00	0.00
700.00	5.00	316.41	699.68	7.90	-8.92	10.90	2.00	2.00	0.00
Start 5689.11 hold at 740.64 MD									
740.64	5.81	316.41	740.15	10.67	-12.16	14.73	2.00	2.00	0.00
800.00	5.81	316.41	799.20	15.02	-14.30	20.74	0.00	0.00	0.00
900.00	5.81	316.41	898.68	22.36	-21.28	30.87	0.00	0.00	0.00
1,000.00	5.81	316.41	998.17	29.70	-28.27	41.00	0.00	0.00	0.00
1,100.00	5.81	316.41	1,097.65	37.03	-35.25	51.13	0.00	0.00	0.00
1,200.00	5.81	316.41	1,197.14	44.37	-42.23	61.25	0.00	0.00	0.00
1,300.00	5.81	316.41	1,296.63	51.70	-49.22	71.38	0.00	0.00	0.00
1,400.00	5.81	316.41	1,396.11	59.04	-56.20	81.51	0.00	0.00	0.00
1,500.00	5.81	316.41	1,495.60	66.38	-63.18	91.64	0.00	0.00	0.00
1,600.00	5.81	316.41	1,595.08	73.71	-70.16	101.77	0.00	0.00	0.00
1,700.00	5.81	316.41	1,694.57	81.05	-77.15	111.89	0.00	0.00	0.00
1,800.00	5.81	316.41	1,794.05	88.38	-84.13	122.02	0.00	0.00	0.00
Green River									
1,805.98	5.81	316.41	1,800.00	88.82	-84.55	122.63	0.00	0.00	0.00
1,900.00	5.81	316.41	1,893.54	95.72	-91.11	132.15	0.00	0.00	0.00
2,000.00	5.81	316.41	1,993.03	103.06	-98.10	142.28	0.00	0.00	0.00
2,100.00	5.81	316.41	2,092.51	110.39	-105.08	152.41	0.00	0.00	0.00
2,200.00	5.81	316.41	2,192.00	117.73	-112.06	162.53	0.00	0.00	0.00
2,300.00	5.81	316.41	2,291.48	125.06	-119.04	172.66	0.00	0.00	0.00
2,400.00	5.81	316.41	2,390.97	132.40	-126.03	182.79	0.00	0.00	0.00
Mahogany									
2,499.54	5.81	316.41	2,490.00	139.70	-132.98	192.87	0.00	0.00	0.00
2,500.00	5.81	316.41	2,490.45	139.74	-133.01	192.92	0.00	0.00	0.00
2,600.00	5.81	316.41	2,589.94	147.07	-139.99	203.05	0.00	0.00	0.00
2,700.00	5.81	316.41	2,689.43	154.41	-146.98	213.17	0.00	0.00	0.00
2,800.00	5.81	316.41	2,788.91	161.74	-153.96	223.30	0.00	0.00	0.00
2,900.00	5.81	316.41	2,888.40	169.08	-160.94	233.43	0.00	0.00	0.00
3,000.00	5.81	316.41	2,987.88	176.42	-167.92	243.56	0.00	0.00	0.00
3,100.00	5.81	316.41	3,087.37	183.75	-174.91	253.69	0.00	0.00	0.00
3,200.00	5.81	316.41	3,186.86	191.09	-181.89	263.81	0.00	0.00	0.00
3,300.00	5.81	316.41	3,286.34	198.42	-188.87	273.94	0.00	0.00	0.00
3,400.00	5.81	316.41	3,385.83	205.76	-195.86	284.07	0.00	0.00	0.00
3,500.00	5.81	316.41	3,485.31	213.09	-202.84	294.20	0.00	0.00	0.00
Garden Gulch									
3,565.02	5.81	316.41	3,550.00	217.86	-207.38	300.78	0.00	0.00	0.00
3,600.00	5.81	316.41	3,584.80	220.43	-209.82	304.33	0.00	0.00	0.00
3,700.00	5.81	316.41	3,684.28	227.77	-216.80	314.46	0.00	0.00	0.00
3,800.00	5.81	316.41	3,783.77	235.10	-223.79	324.58	0.00	0.00	0.00
3,900.00	5.81	316.41	3,883.26	242.44	-230.77	334.71	0.00	0.00	0.00
4,000.00	5.81	316.41	3,982.74	249.77	-237.75	344.84	0.00	0.00	0.00

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Sharewell Energy Services
Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Company:	Appaloosa Operating Co. LLC	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	**North Reference:**	True
Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
4,100.00	5.81	316.41	4,082.23	257.11	-244.74	354.97	0.00	0.00	0.00
4,200.00	5.81	316.41	4,181.71	264.45	-251.72	365.10	0.00	0.00	0.00
4,300.00	5.81	316.41	4,281.20	271.78	-258.70	375.22	0.00	0.00	0.00
Douglas Creek									
4,352.07	5.81	316.41	4,333.00	275.60	-262.34	380.50	0.00	0.00	0.00
4,400.00	5.81	316.41	4,380.69	279.12	-265.68	385.35	0.00	0.00	0.00
4,500.00	5.81	316.41	4,480.17	286.45	-272.67	395.48	0.00	0.00	0.00
4,600.00	5.81	316.41	4,579.66	293.79	-279.65	405.61	0.00	0.00	0.00
4,700.00	5.81	316.41	4,679.14	301.13	-286.63	415.74	0.00	0.00	0.00
4,800.00	5.81	316.41	4,778.63	308.46	-293.62	425.86	0.00	0.00	0.00
4,900.00	5.81	316.41	4,878.11	315.80	-300.60	435.99	0.00	0.00	0.00
5,000.00	5.81	316.41	4,977.60	323.13	-307.58	446.12	0.00	0.00	0.00
5,100.00	5.81	316.41	5,077.09	330.47	-314.56	456.25	0.00	0.00	0.00
5,200.00	5.81	316.41	5,176.57	337.81	-321.55	466.38	0.00	0.00	0.00
Castle Peak									
5,263.76	5.81	316.41	5,240.00	342.48	-326.00	472.83	0.00	0.00	0.00
5,300.00	5.81	316.41	5,276.06	345.14	-328.53	476.50	0.00	0.00	0.00
5,400.00	5.81	316.41	5,375.54	352.48	-335.51	486.63	0.00	0.00	0.00
5,500.00	5.81	316.41	5,475.03	359.81	-342.50	496.76	0.00	0.00	0.00
5,600.00	5.81	316.41	5,574.51	367.15	-349.48	506.89	0.00	0.00	0.00
5,700.00	5.81	316.41	5,674.00	374.49	-356.46	517.02	0.00	0.00	0.00
Uteland Butte									
5,716.08	5.81	316.41	5,690.00	375.67	-357.59	518.64	0.00	0.00	0.00
5,800.00	5.81	316.41	5,773.49	381.82	-363.45	527.14	0.00	0.00	0.00
5,900.00	5.81	316.41	5,872.97	389.16	-370.43	537.27	0.00	0.00	0.00
6,000.00	5.81	316.41	5,972.46	396.49	-377.41	547.40	0.00	0.00	0.00
6,100.00	5.81	316.41	6,071.94	403.83	-384.39	557.53	0.00	0.00	0.00
Wasatch									
6,118.15	5.81	316.41	6,090.00	405.16	-385.66	559.37	0.00	0.00	0.00
6,200.00	5.81	316.41	6,171.43	411.17	-391.38	567.66	0.00	0.00	0.00
6,300.00	5.81	316.41	6,270.92	418.50	-398.36	577.78	0.00	0.00	0.00
6,400.00	5.81	316.41	6,370.40	425.84	-405.34	587.91	0.00	0.00	0.00
TD at 6429.75 - 9-12D-5-5 Tgt									
6,429.75	5.81	316.41	6,400.00	428.02	-407.42	590.92	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
9-12D-5-5 Tgt - plan hits target center - Circle (radius 100.00)	0.00	0.00	6,400.00	428.02	-407.42	7,192,195.813	1,951,239.029	40° 3' 32.910 N	110° 23' 22.110 W

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
350.00	350.00	9 5/8" Csg.	9-5/8	12-1/4

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Sharewell Energy Services
Planning Report

Database:	EDM 5000.1 Single User Db	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Company:	Appaloosa Operating Co. LLC	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Project:	Duchesne Co., UT (NAD83)	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site:	Sec.12-T5S-R5W	**North Reference:**	True
Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Wellbore #1		
Design:	Design #1		

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,805.98	1,800.00	Green River		0.00	
2,499.54	2,490.00	Mahogany		0.00	
3,565.02	3,550.00	Garden Gulch		0.00	
4,352.07	4,333.00	Douglas Creek		0.00	
5,263.76	5,240.00	Castle Peak		0.00	
5,716.08	5,690.00	Uteland Butte		0.00	
6,118.15	6,090.00	Wasatch		0.00	

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
450.00	450.00	0.00	0.00	Start DLS 2.00 TFO 316.41
740.64	740.15	10.67	10.1[illegible]	Start 5689.11 hold at 740.64 MD
6,429.75	6,400.00	428.02	-407.42	TD at 6429.75

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API Well Number: 43013515960000

Appaloosa Operating Co. LLC

Duchesne Co., UT (NAD83)
Sec.12-T5S-R5W
Appaloosa 9-12D-5-5

Wellbore #1
Design #1

Anticollision Report

23 July, 2012

Sharewell Energy Services

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Sharewell Energy Services

Anticollision Report

Company:	Appaloosa Operating Co. LLC	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Project:	Duchesne Co., UT (NAD83)	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Reference Site:	Sec.12-T5S-R5W	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site Error:	0.00 usft	**North Reference:**	True
Reference Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00 usft	**Output errors are at**	2.00 sigma
Reference Wellbore	Wellbore #1	**Database:**	EDM 5000.1 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Reference Design #1

Filter type:	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
Interpolation Method:	Stations	**Error Model:**	ISCWSA
Depth Range:	Unlimited	**Scan Method:**	Closest Approach 3D
Results Limited by:	Maximum center-center distance of 9,999.98 usft	**Error Surface:**	Elliptical Conic
Warning Levels Evaluated at:	2.00 **Sigma**	**Casing Method:**	Not applied

Survey Tool Program **Date** 07/23/12

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
0.00	6,429.75	Design #1 (Wellbore #1)	MWD	MWD - Standard

Summary

Site Name / Offset Well - Wellbore - Design	Reference Measured Depth (usft)	Offset Measured Depth (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Separation Factor	Warning
Sec.12-T5S-R5W						
Appaloosa 16-12D-5-5 - Wellbore #1 - Design #1	450.00	450.00	30.23	28.43	16.810	CC, ES
Appaloosa 16-12D-5-5 - Wellbore #1 - Design #1	600.00	599.70	34.36	31.94	14.221	SF

Offset Design Sec.12-T5S-R5W - Appaloosa 16-12D-5-5 - Wellbore #1 - Design #1

Survey Program: 0-MWD

Offset Site Error: 0.00 usft

Offset Well Error: 0.00 usft

Reference Measured Depth (usft)	Reference Vertical Depth (usft)	Offset Measured Depth (usft)	Offset Vertical Depth (usft)	Semi Major Axis Reference (usft)	Semi Major Axis Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (usft)	Offset Wellbore Centre +E/-W (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	115.80	-13.16	27.21	30.23				
100.00	100.00	100.00	100.00	0.11	0.11	115.80	-13.16	27.21	30.23	30.00	0.22	134.480	
200.00	200.00	200.00	200.00	0.34	0.34	115.80	-13.16	27.21	30.23	29.55	0.67	44.827	
300.00	300.00	300.00	300.00	0.56	0.56	115.80	-13.16	27.21	30.23	29.10	1.12	26.896	
400.00	400.00	400.00	400.00	0.79	0.79	115.80	-13.16	27.21	30.23	28.65	1.57	19.211	
450.00	450.00	450.00	450.00	0.90	0.90	115.80	-13.16	27.21	30.23	28.43	1.80	16.810	CC, ES
500.00	500.00	499.98	499.98	1.01	1.00	160.49	-13.55	27.03	30.65	28.64	2.01	15.261	
600.00	599.93	599.70	599.63	1.23	1.18	168.23	-16.70	25.55	34.36	31.94	2.42	14.221	SF
700.00	699.68	698.68	698.37	1.47	1.39	179.22	-22.92	22.63	43.13	40.27	2.85	15.111	
740.64	740.15	738.59	738.10	1.57	1.48	-176.53	-26.30	21.04	48.42	45.38	3.04	15.914	
800.00	799.20	796.54	795.70	1.71	1.62	-171.00	-32.11	18.31	57.42	54.11	3.32	17.319	
900.00	898.68	893.31	891.54	1.98	1.89	-163.21	-44.14	12.66	75.01	71.21	3.80	19.745	
1,000.00	998.17	988.88	985.71	2.24	2.19	-157.00	-58.90	5.73	95.71	91.41	4.30	22.243	
1,100.00	1,097.65	1,085.95	1,081.08	2.52	2.54	-152.43	-75.25	-1.95	118.29	113.47	4.82	24.562	
1,200.00	1,197.14	1,183.01	1,176.45	2.80	2.90	-149.33	-91.61	-9.63	141.36	136.03	5.33	26.526	
1,300.00	1,296.63	1,280.07	1,271.81	3.08	3.27	-147.10	-107.97	-17.31	164.71	158.86	5.85	28.174	
1,400.00	1,396.11	1,377.14	1,367.18	3.36	3.65	-145.42	-124.32	-24.99	188.23	181.87	6.37	29.566	
1,500.00	1,495.60	1,474.20	1,462.54	3.64	4.04	-144.12	-140.68	-32.67	211.88	204.99	6.89	30.747	
1,600.00	1,595.08	1,571.26	1,557.91	3.93	4.42	-143.07	-157.03	-40.35	235.61	228.20	7.42	31.767	
1,700.00	1,694.57	1,668.33	1,653.28	4.21	4.82	-142.22	-173.39	-48.03	259.40	251.46	7.95	32.650	
1,800.00	1,794.05	1,765.39	1,748.64	4.50	5.21	-141.52	-189.74	-55.71	283.24	274.76	8.47	33.421	
1,900.00	1,893.54	1,862.45	1,844.01	4.79	5.61	-140.92	-206.10	-63.39	307.11	298.10	9.01	34.099	
2,000.00	1,993.03	1,959.52	1,939.38	5.07	6.01	-140.40	-222.45	-71.07	331.01	321.47	9.54	34.701	
2,100.00	2,092.51	2,056.58	2,034.74	5.36	6.41	-139.96	-238.81	-78.75	354.92	344.85	10.07	35.237	
2,200.00	2,192.00	2,153.64	2,130.11	5.65	6.81	-139.57	-255.16	-86.43	378.86	368.25	10.61	35.718	

CC - Min centre to center distance or covergent point, SF - min separation factor, ES - min ellipse separation

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Sharewell Energy Services

Anticollision Report

Company:	Appaloosa Operating Co. LLC	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Project:	Duchesne Co., UT (NAD83)	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Reference Site:	Sec.12-T5S-R5W	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site Error:	0.00 usft	**North Reference:**	True
Reference Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00 usft	**Output errors are at**	2.00 sigma
Reference Wellbore	Wellbore #1	**Database:**	EDM 5000.1 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Offset Design Sec.12-T5S-R5W - Appaloosa 16-12D-5-5 - Wellbore #1 - Design #1

Offset Site Error: 0.00 usft

Survey Program: 0-MWD

Offset Well Error: 0.00 usft

Reference Measured Depth (usft)	Reference Vertical Depth (usft)	Offset Measured Depth (usft)	Offset Vertical Depth (usft)	Semi Major Axis Reference (usft)	Semi Major Axis Offset (usft)	Highside Toolface (°)	Offset Wellbore Centre +N/-S (usft)	Offset Wellbore Centre +E/-W (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning
2,300.00	2,291.48	2,250.71	2,225.48	5.94	7.21	-139.23	-271.52	-94.11	402.81	391.67	11.14	36.152	
2,400.00	2,390.97	2,347.77	2,320.84	6.23	7.61	-138.93	-287.88	-101.79	426.77	415.10	11.68	36.545	
2,500.00	2,490.46	2,444.83	2,416.21	6.52	8.01	-138.66	-304.23	-109.47	450.75	438.53	12.21	36.902	
2,600.00	2,589.94	2,541.90	2,511.58	6.81	8.41	-138.42	-320.59	-117.16	474.73	461.98	12.75	37.229	
2,700.00	2,689.43	2,638.96	2,606.94	7.10	8.82	-138.20	-336.94	-124.84	498.72	485.43	13.29	37.528	
2,800.00	2,788.91	2,736.02	2,702.31	7.39	9.22	-138.00	-353.30	-132.52	522.71	508.88	13.83	37.803	
2,900.00	2,888.40	2,833.08	2,797.68	7.68	9.63	-137.81	-369.65	-140.20	546.71	532.35	14.37	38.057	
3,000.00	2,987.88	2,930.15	2,893.04	7.97	10.03	-137.65	-386.01	-147.88	570.72	555.81	14.90	38.292	
3,100.00	3,087.37	3,027.21	2,988.41	8.26	10.43	-137.49	-402.36	-155.56	594.73	579.28	15.44	38.510	
3,200.00	3,186.86	3,124.27	3,083.78	8.55	10.84	-137.35	-418.72	-163.24	618.74	602.76	15.98	38.713	
3,300.00	3,286.34	3,221.34	3,179.14	8.84	11.24	-137.22	-435.08	-170.92	642.76	626.23	16.52	38.903	
3,400.00	3,385.83	3,318.40	3,274.51	9.13	11.65	-137.10	-451.43	-178.60	666.77	649.71	17.06	39.080	
3,500.00	3,485.31	3,415.46	3,369.87	9.42	12.06	-136.99	-467.79	-186.28	690.80	673.19	17.60	39.246	
3,600.00	3,584.80	3,512.53	3,465.24	9.71	12.46	-136.88	-484.14	-193.96	714.82	696.68	18.14	39.401	
3,700.00	3,684.28	3,609.59	3,560.61	10.00	12.87	-136.78	-500.50	-201.64	738.85	720.16	18.68	39.548	
3,800.00	3,783.77	3,706.65	3,655.97	10.29	13.27	-136.69	-516.85	-209.32	762.87	743.65	19.22	39.685	
3,900.00	3,883.26	3,803.72	3,751.34	10.58	13.68	-136.60	-533.21	-217.00	786.90	767.14	19.76	39.815	
4,000.00	3,982.74	3,900.78	3,846.71	10.87	14.08	-136.52	-549.56	-224.68	810.94	790.63	20.30	39.938	
4,100.00	4,082.23	3,997.84	3,942.07	11.16	14.49	-136.44	-565.92	-232.36	834.97	814.12	20.85	40.055	
4,200.00	4,181.71	4,094.91	4,037.44	11.45	14.90	-136.37	-582.27	-240.04	859.00	837.62	21.39	40.165	
4,300.00	4,281.20	4,191.97	4,132.81	11.74	15.30	-136.30	-598.63	-247.72	883.04	861.11	21.93	40.269	
4,400.00	4,380.69	4,289.03	4,228.17	12.03	15.71	-136.24	-614.99	-255.40	907.08	884.61	22.47	40.369	
4,500.00	4,480.17	4,386.10	4,323.54	12.32	16.12	-136.18	-631.34	-263.08	931.11	908.10	23.01	40.463	
4,600.00	4,579.66	4,483.16	4,418.91	12.61	16.52	-136.12	-647.70	-270.77	955.15	931.60	23.55	40.553	
4,700.00	4,679.14	4,580.22	4,514.27	12.91	16.93	-136.06	-664.05	-278.45	979.19	955.10	24.10	40.639	
4,800.00	4,778.63	4,677.29	4,609.64	13.20	17.34	-136.01	-680.41	-286.13	1,003.23	978.60	24.64	40.720	
4,900.00	4,878.11	4,774.35	4,705.01	13.49	17.74	-135.96	-696.76	-293.81	1,027.27	1,002.10	25.18	40.799	
5,000.00	4,977.60	4,871.41	4,800.37	13.78	18.15	-135.91	-713.12	-301.49	1,051.32	1,025.60	25.72	40.873	
5,100.00	5,077.09	4,968.47	4,895.74	14.07	18.56	-135.86	-729.47	-309.17	1,075.36	1,049.10	26.26	40.945	
5,200.00	5,176.57	5,065.54	4,991.10	14.36	18.96	-135.82	-745.83	-316.85	1,099.40	1,072.60	26.81	41.013	
5,300.00	5,276.06	5,162.60	5,086.47	14.65	19.37	-135.78	-762.19	-324.53	1,123.45	1,096.10	27.35	41.079	
5,400.00	5,375.54	5,259.66	5,181.84	14.94	19.78	-135.74	-778.54	-332.21	1,147.49	1,119.60	27.89	41.142	
5,500.00	5,475.03	5,356.73	5,277.20	15.23	20.18	-135.70	-794.90	-339.89	1,171.54	1,143.10	28.43	41.202	
5,600.00	5,574.51	5,463.10	5,381.76	15.53	20.59	-135.66	-812.63	-348.22	1,195.43	1,166.44	28.99	41.240	
5,700.00	5,674.00	5,583.59	5,500.55	15.82	20.95	-135.66	-830.89	-356.79	1,217.79	1,188.26	29.53	41.239	
5,800.00	5,773.49	5,705.09	5,620.74	16.11	21.26	-135.72	-847.00	-364.36	1,238.28	1,208.22	30.06	41.196	
5,900.00	5,872.97	5,827.50	5,742.17	16.40	21.55	-135.82	-860.89	-370.88	1,256.88	1,226.29	30.58	41.101	
6,000.00	5,972.46	5,950.72	5,864.72	16.69	21.82	-135.97	-872.51	-376.33	1,273.57	1,242.47	31.10	40.955	
6,100.00	6,071.94	6,074.63	5,988.20	16.98	22.06	-136.17	-881.78	-380.69	1,288.34	1,256.73	31.61	40.762	
6,200.00	6,171.43	6,199.13	6,112.47	17.27	22.27	-136.41	-888.65	-383.92	1,301.18	1,269.07	32.11	40.525	
6,300.00	6,270.92	6,324.11	6,237.35	17.56	22.46	-136.70	-893.10	-386.01	1,312.09	1,279.49	32.60	40.248	
6,400.00	6,370.40	6,449.44	6,362.66	17.85	22.62	-137.04	-895.08	-386.93	1,321.07	1,287.98	33.09	39.925	
6,429.75	6,400.00	6,486.78	6,400.00	17.94	22.67	-137.15	-895.19	-386.99	1,323.37	1,290.13	33.24	39.818	

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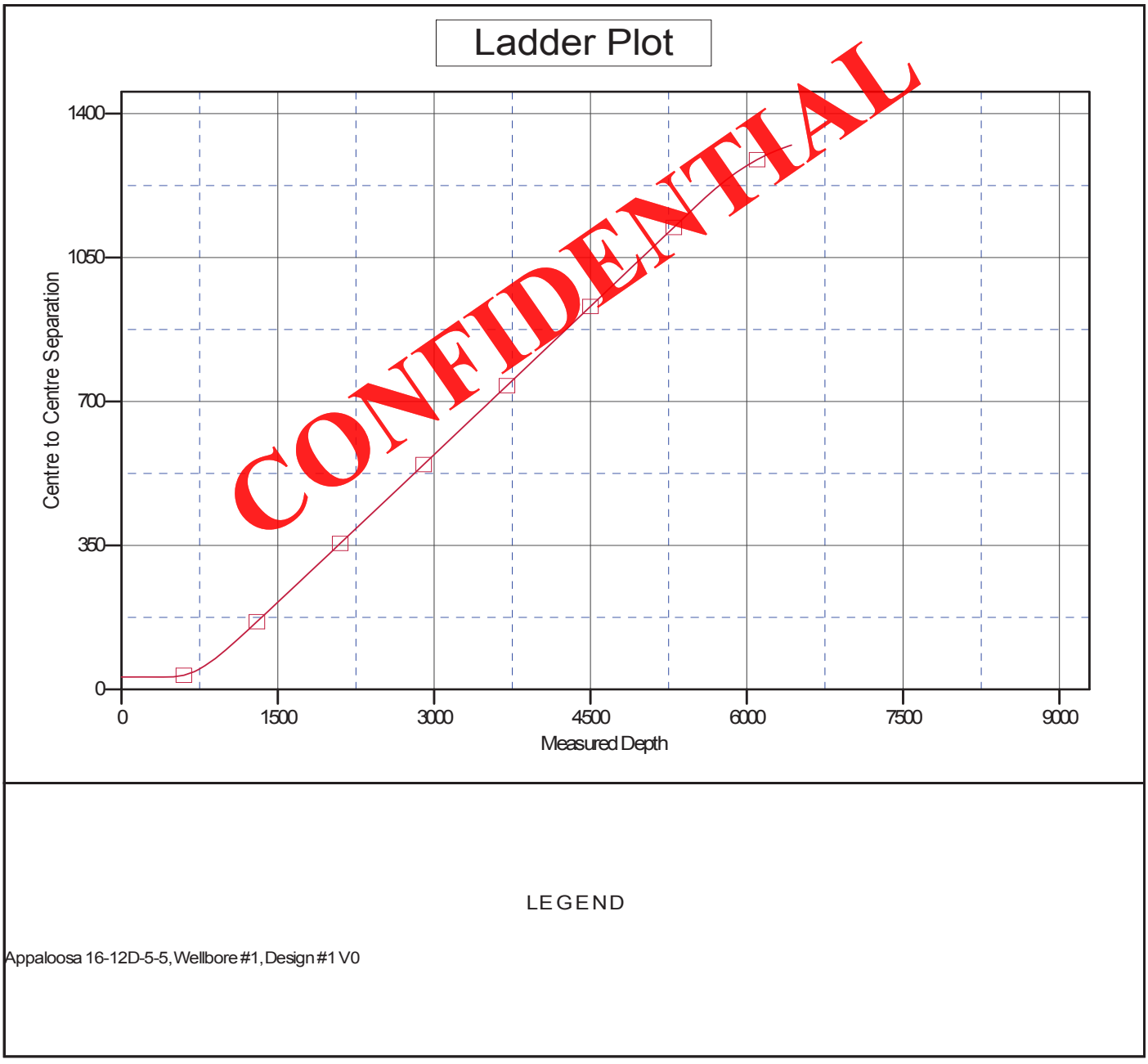
Sharewell Energy Services

Anticollision Report

Company:	Appaloosa Operating Co. LLC	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Project:	Duchesne Co., UT (NAD83)	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Reference Site:	Sec.12-T5S-R5W	**MD Reference:**	WELL @ 6293.70usft (Original Well Elev)
Site Error:	0.00 usft	**North Reference:**	True
Reference Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00 usft	**Output errors are at**	2.00 sigma
Reference Wellbore	Wellbore #1	**Database:**	EDM 5000.1 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Reference Depths are relative to WELL @ 6293.70usft (Original Well E
Offset Depths are relative to Offset Datum
Central Meridian is 111° 30' 0.000 W

Coordinates are relative to: Appaloosa 9-12D-5-5
Coordinate System is US State Plane 1983, Utah Central Zone
Grid Convergence at Surface is: 0.71°



RECEIVED: August 01, 2012

Sharewell Energy Services

Anticollision Report

Company:	Appaloosa Operating Co. LLC	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5
Project:	Duchesne Co., UT (NAD83)	**TVD Reference:**	WELL @ 6293.70usft (Original Well Elev)
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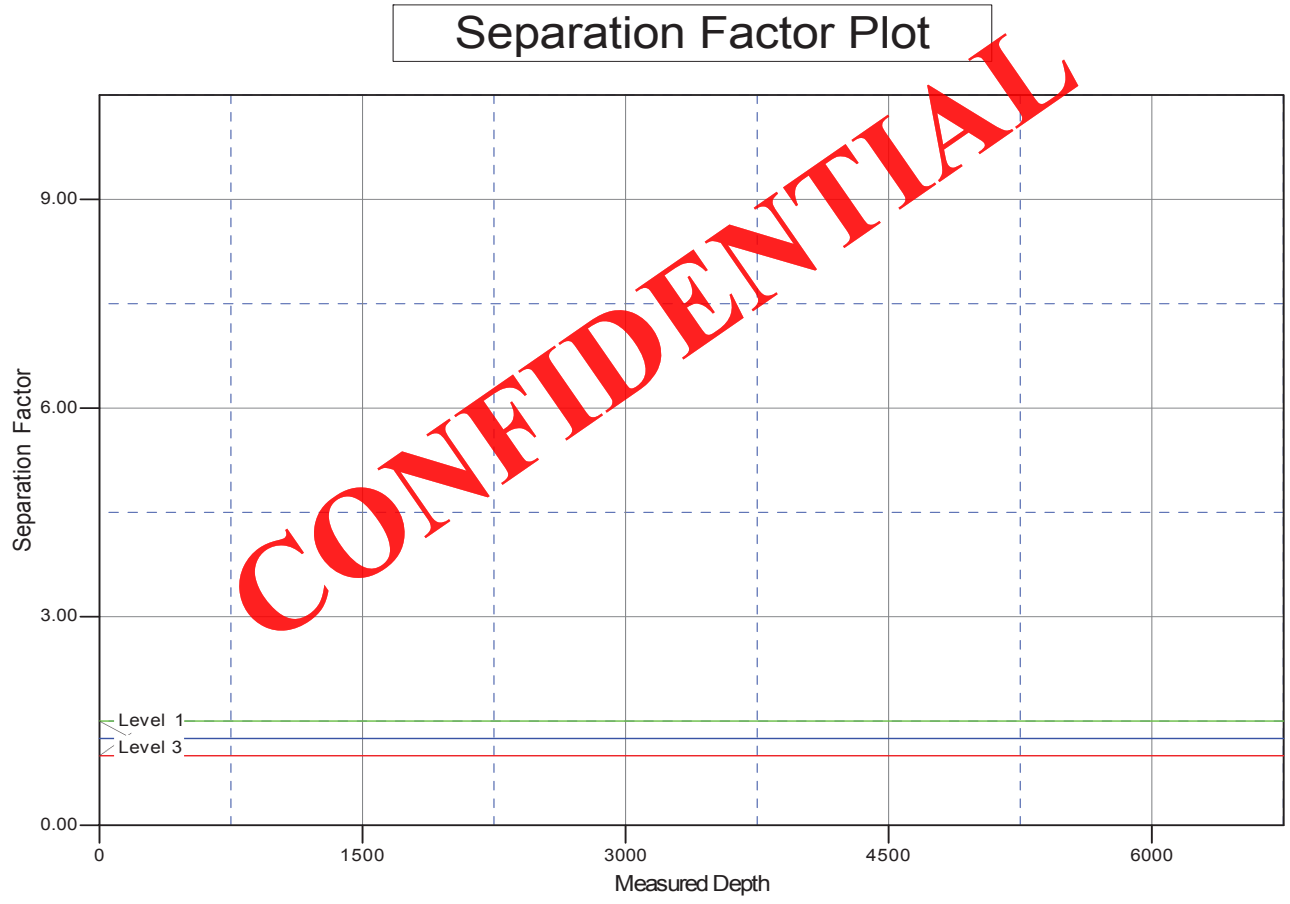
Reference Well:	Appaloosa 9-12D-5-5	**Survey Calculation Method:**	Minimum Curvature
Well Error:	0.00 usft	**Output errors are at**	2.00 sigma
Reference Wellbore	Wellbore #1	**Database:**	EDM 5000.1 Single User Db
Reference Design:	Design #1	**Offset TVD Reference:**	Offset Datum

Reference Depths are relative to WELL @ 6293.70usft (Original Well E
Offset Depths are relative to Offset Datum
Central Meridian is 111° 30' 0.000 W

Coordinates are relative to: Appaloosa 9-12D-5-5
Coordinate System is US State Plane 1983, Utah Central Zone
Grid Convergence at Surface is: 0.71°



LEGEND

- Appaloosa 16-12D-5-5, Wellbore #1, Design #1 V0

RECEIVED: August 01, 2012

API Well Number: 43013515960000

WOOD GROUP PSN

2615 Aviation Drive, Sheridan Wyoming 82801. Tel: 307-675-6400 Fax: 307-675-6401
www.woodgroup.com

August 1, 2012

Ms. Diana Mason
State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: Directional Drilling R649-3-11
Appaloosa 9-12D-5-5 1,550' FSL, 252' FEL (Surface)
1,980' FSL, 660' FEL (Bottomhole)

Dear Ms. Mason:

Pursuant to the filing of the Appaloosa 9-12D-5-5Application for Permit to Drill regarding the above referenced well on July 25, 2012, Appaloosa is hereby submitting this letter in accordance with the Oil & Gas Conservation Rule R649-3-11 pertaining to Location and Siting of Wells.

- Appaloosa 9-12D-5-5 is located within the proposed project area.
- Appaloosa is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Appaloosa will be able to utilize the existing road and pipelines in the area.
- Appaloosa hereby certifies that it is the sole working interest owner within four-hundred sixty (460) feet of the entire directional well bore.

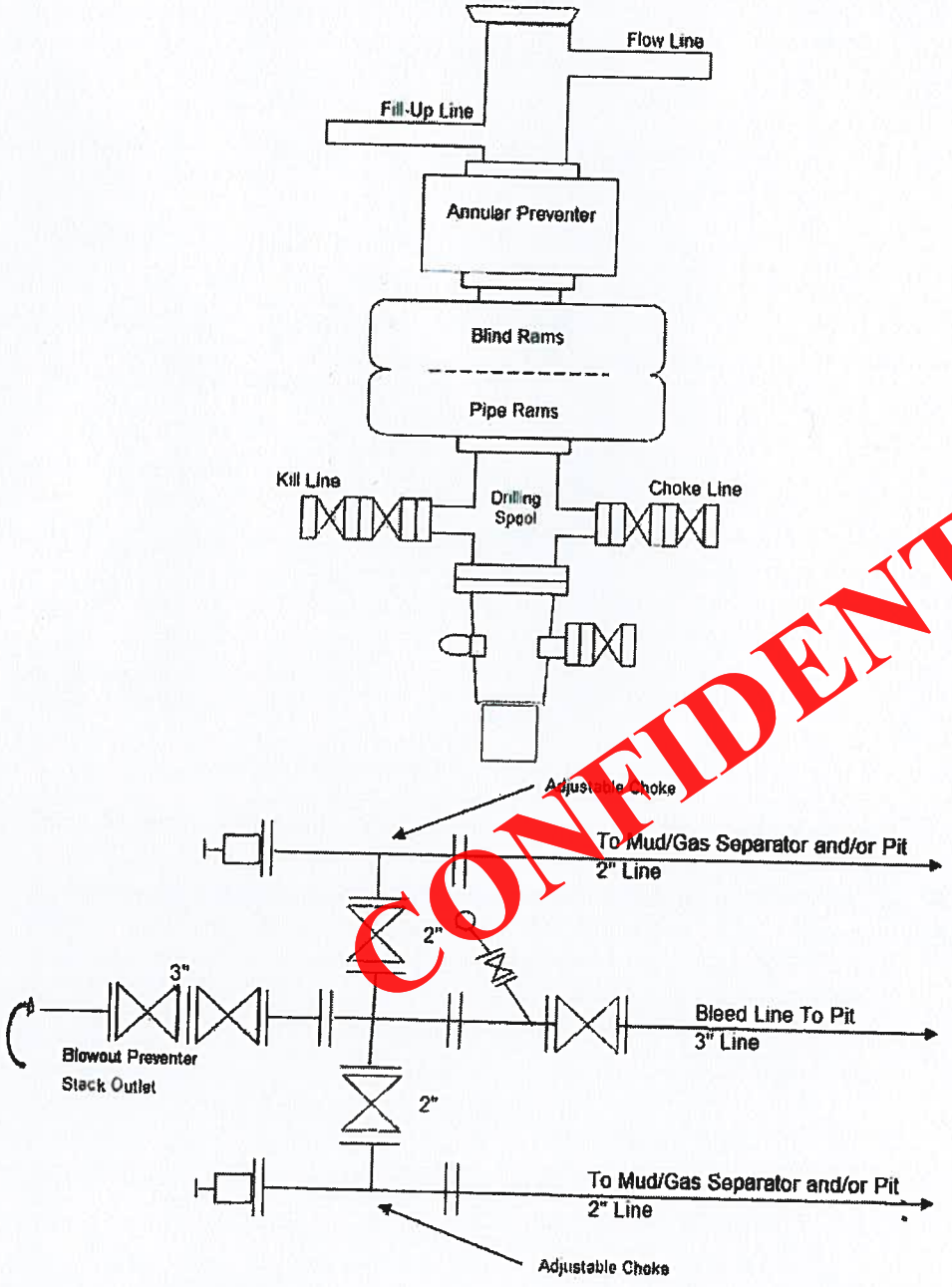
Therefore, based on the above stated information, Apploosa requests the permit to be granted pursuant to R649-3-11.

Respectfully Submitted,

Shirl Ames

Shirl Ames, Document Control Specialist
Wood Group PSN
Agent

SCHEMATIC DIAGRAM OF 2,000 PSI BOP STACK



API Well Number: 43013515960000

BOPE REVIEW APPALOOSA OPERATING COMPANY LLC Appaloosa 9-12D-5-5 43013515960000

Well Name	APPALOOSA OPERATING COMPANY LLC Appaloosa 9-12D-5-5 4301			
String	SURF	PROD		
Casing Size(")	8.625	5.500		
Setting Depth (TVD)	650	6344		
Previous Shoe Setting Depth (TVD)	0	650		
Max Mud Weight (ppg)	8.6	8.9		
BOPE Proposed (psi)	0	2000		
Casing Internal Yield (psi)	2950	4810		
Operators Max Anticipated Pressure (psi)	2000	6.1		

Calculations	SURF String	8.625	"	
Max BHP (psi)	.052*Setting Depth*MW=	291		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	213	NO	FW spud mud
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	148	NO	OK
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	148	NO	
Required Casing/BOPE Test Pressure=		650	psi	
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi	*Assumes 1psi/ft frac gradient

Calculations	PROD String	5.500	"	
Max BHP (psi)	.052*Setting Depth*MW=	2936		
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	2175	NO	
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1540	YES	OK
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1683	NO	Reasonable
Required Casing/BOPE Test Pressure=		2000	psi	
*Max Pressure Allowed @ Previous Casing Shoe=		650	psi	*Assumes 1psi/ft frac gradient

Calculations	String		"	
Max BHP (psi)	.052*Setting Depth*MW=			
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO	
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO	
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO	
Required Casing/BOPE Test Pressure=			psi	
*Max Pressure Allowed @ Previous Casing Shoe=			psi	*Assumes 1psi/ft frac gradient

Calculations	String		"	
Max BHP (psi)	.052*Setting Depth*MW=			
			BOPE Adequate For Drilling And Setting Casing at Depth?	
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO	
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO	
			*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO	
Required Casing/BOPE Test Pressure=			psi	
*Max Pressure Allowed @ Previous Casing Shoe=			psi	*Assumes 1psi/ft frac gradient

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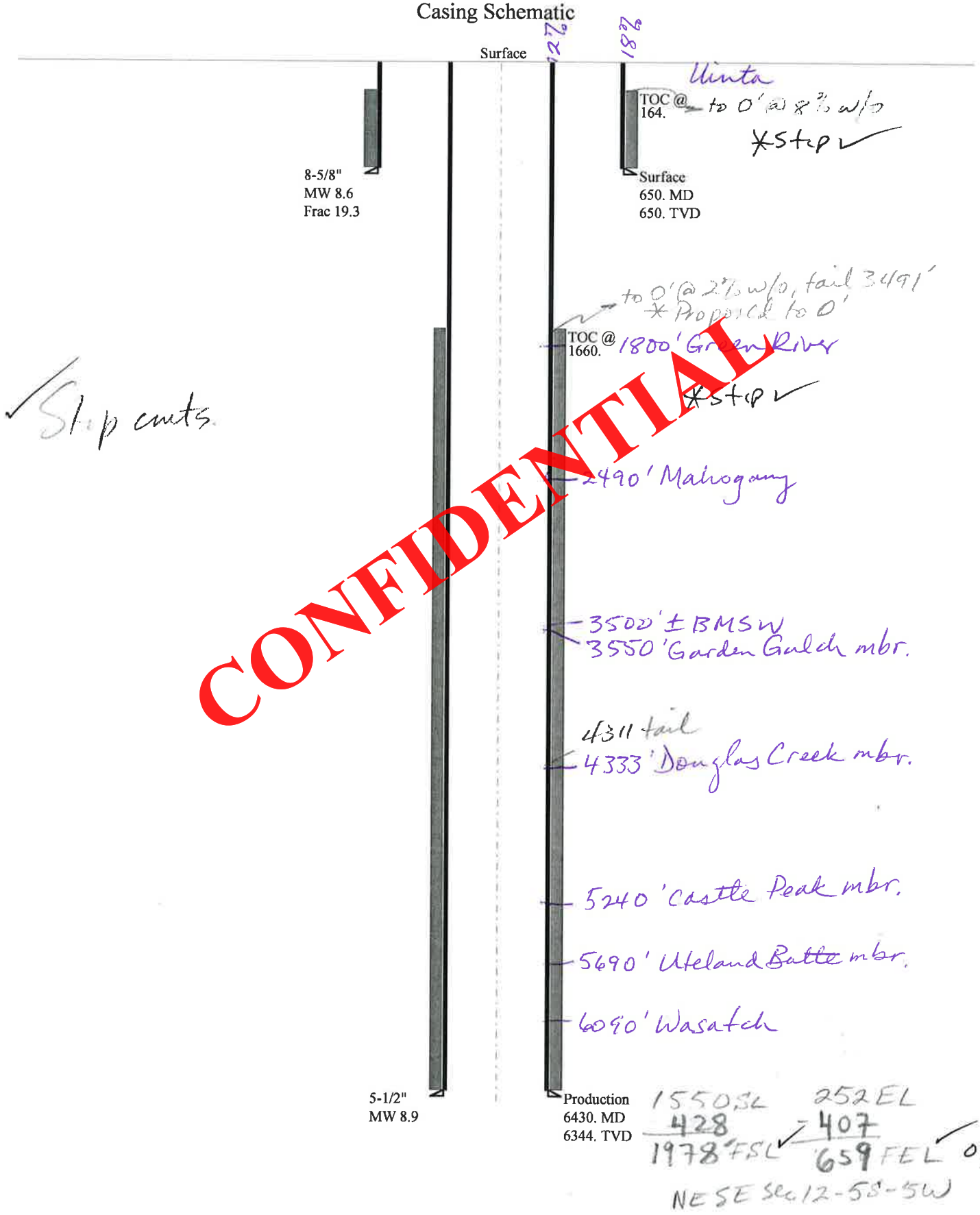
API Well Number: 43013515960000

43013515960000 Appaloosa 9-12D-5-5

Casing Schematic



Well name:	**43013515960000 Appaloosa 9-12D-5-5**
Operator:	**APPALOOSA OPERATING COMPANY LLC**
String type:	Surface
Project ID:	43-013-51596
Location:	DUCHESNE COUNTY

Design parameters:

Collapse
Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 572 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 650 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 566 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 83 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 164 ft

Completion type is subs

Directional well information:
Kick-off point 450 ft
Departure at shoe: 7 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 4 °

Re subsequent strings:
Next setting depth: 6,344 ft
Next mud weight: 8.900 ppg
Next setting BHP: 2,933 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 650 ft
Injection pressure: 650 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	650	8.625	24.00	J-55	ST&C	650	650	7.972	3346

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	290	1343	4.625	650	2950	4.54	15.6	244	15.64 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: October 3,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 650 ft, a mud weight of 8.6 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

API Well Number: 43013515960000

Well name:	**43013515960000 Appaloosa 9-12D-5-5**
Operator:	**APPALOOSA OPERATING COMPANY LLC**
String type:	Production
Project ID:	43-013-51596
Location:	DUCHESNE COUNTY

Design parameters:

Collapse
Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,537 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,933 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 5,572 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 163 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 1,660 ft

Completion type is subs

Directional well information:
Kick-off point 450 ft
Departure at shoe: 969 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 0 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	6430	5.5	15.50	J-55	LT&C	6344	6430	4.825	22704

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2933	4015	1.369	2933	4810	1.64	98.3	217	2.21 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Mining
Phone: 801 538-5357
FAX: 801-359-3940
Date: October 3,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 6344 ft, a mud weight of 8.9 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.
Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

ON-SITE PREDRILL EVALUATION
Utah Division of Oil, Gas and Mining

Operator APPALOOSA OPERATING COMPANY LLC
Well Name Appaloosa 9-12D-5-5
API Number 43013515960000 **APD No** 6384 **Field/Unit** BRUNDAGE CANYON
Location: 1/4,1/4 NESE **Sec** 12 **Tw** 5.0S **Rng** 5.0W 1550 FSL 252 FEL
GPS Coord (UTM) 552197 4434373 **Surface Owner** Utah Division of Wildlife Resources

Participants

Brad Posey, John Whiteside - Appaloosa Operating; Ricky Hendricks, Scott Straessler, Preston Anesi - Wood Group; Alex Hansen, Ben Williams - DWR

Regional/Local Setting & Topography

The proposed action is within a WMA operated by Utah DWR 6 miles South of the City of Duchesne between Cottonwood and Coyote Canyons. The area is sparsely developed and described as a high desert plain with P/J, greasewood and abundant bunch grasses. The topography is mostly eroded hills and gullies with slopes much greater than 6%. The soils are rather silty ovelain by a great deal of angular clastic shales. The pad is to be built alongside, and on one edge, into the foothills in a small drainage bowl shaped feature that is otherwise rather flat. Blue Grama, Indian Ricegrass and greasewood are the Dominant species.
This will be the host well location for the 9-12D

Surface Use Plan

Current Surface Use
Wildlfe Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
	Width 200 **Length** 400	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

High desert shrubland ecosystem. Identified or expected vegetation consists of black sagebrush, shadscale, Atriplex spp., mustard spp, rabbit brush, horsebrush, broom snakeweed, Opuntia spp and spring annuals.
Dominant vegetation;
Blue Gama, Greasewood and Pinion pine surround the proposed site.
Wildlife;
Adjacent habitat contains forbs and grasses that may be suitable browse for deer, antelope, prairie dogs or rabbits, though none were observed. Location supports habitat for wildlife. DWR determined ecosystem is critical habitat for wintering deer and elk.

Soil Type and Characteristics

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silty sands with clastic shales

Erosion Issues Y

evidence of erosion is present locally and regionally

Sedimentation Issues Y

erodible soils are present onsite

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? Y

Erosion Sedimentation Control Required? Y

Methods (BMP's) on most sides needed to protect very steep slopes

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	300 to 1000	2	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	47	1 Sensitivity Level

Characteristics / Requirements

If used;
Pit to be dug to a depth of 8'. Because a spill or leak will have a direct path to surface water below from existing gully, pit underlayment is to be used to protect the liner from potential puncture. Pit should be fenced to prevent entry by deer, other wildlife and domestic animals. Pit to be closed within one year after drilling activities are complete.

Operator plans to use a closed loop system with a small cuttings pit.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** N

Other Observations / Comments

Chris Jensen 8/29/2012

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Evaluator **Date / Time**

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Application for Permit to Drill
Statement of Basis
Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
6384	43013515960000	LOCKED	OW	S	No
Operator	APPALOOSA OPERATING COMPANY LLC		**Surface Owner-APD**	Utah Division of Wildlife Resources	
Well Name	Appaloosa 9-12D-5-5		**Unit**		
Field	BRUNDAGE CANYON		**Type of Work**	DRILL	
Location	NESE 12 5S 5W U 1550 FSL 252 FEL GPS Coord (UTM) 552200E 4434375N				

Geologic Statement of Basis

Appaloosa proposes to set 350' of surface casing at this location. The base of the moderately saline water is estimated to be at 3,500 feet in this area. This location lies on the transition between the Uinta Formation and the Green River Formation and is located on valley fill alluvium. The Uinta Formation is not expected to produce prolific aquifers. Water may be found in alluvium deposited in valley floors. The proposed location is in a recharge area for the aquifers of the Green River Formation and fresh water can be expected to be found in the Green River Formation. A search of Division of Water Rights records indicates 4 water wells within a 10,000 foot radius of the center of Section 12. Depths range from 100 to 305 feet with listed uses as irrigation, stock watering, oil exploration and domestic. Production casing cement should be brought up to or above the base of the moderately saline ground water.

Brad Hill	9/11/2012
APD Evaluator	**Date / Time**

Surface Statement of Basis

Operator has a surface agreement in place with DWR. I was made aware that some concessions were made. DWR has asked for a winter closure. Location is proposed in the best possible position within the spacing window. Access road enters the pad from the East.

The soil type and topography at present do combine to pose a threat to erosion or sediment/ pollution transport in these regional climate conditions. Construction standards of the Operator appear to be adequate for the proposed purpose. I recognize no special flora or animal species or cultural resources on site that the proposed action may harm though, this is excellent habitat for large game species. The location was surveyed previously for cultural and paleontological resources and an ESA consultation was initiated as the operator saw fit. DWR Representatives were invited and were in attendance for the pre-site inspection. DWR has asked (written into the Surface use agreement) that no drilling or construction activities occur during the period of December 1, through April 15 as this is critical wintering habitat for large game species. The location should be bermed to prevent spills from leaving the confines of the pad. If used, fencing around a reserve pit will be necessary once the well is drilled to prevent wildlife and livestock from entering. A synthetic liner of 16 mils (minimum) should be utilized in the reserve pit. Operator has plans for a closed loop system with a small pit for drill cuttings in place of a reserve pit. Measures (BMP's) shall be taken to protect steep slopes both cut and fill from erosion, sedimentation and stability issues on all sides of pad as well as the top soil pile as it sits

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alongside the hill and can easily be washed away and lost.

Chris Jensen	8/29/2012
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
	Steep cut and fill slopes and topsoils pile to be protected from erosion and sediment transport by appropriate use of BMP's
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/25/2012 **API NO. ASSIGNED:** 43013515960000

WELL NAME: Appaloosa 9-12D-5-5

OPERATOR: APPALOOSA OPERATING COMPANY LLC (N3845) **PHONE NUMBER:** 307 675-6400

CONTACT: Shirl Ames

PROPOSED LOCATION: NESE 12 050S 050W **Permit Tech Review:** ☑

SURFACE: 1550 FSL 0252 FEL **Engineering Review:** ☑

BOTTOM: 1980 FSL 0660 FEL **Geology Review:** ☑

COUNTY: DUCHESNE

LATITUDE: 40.05801 **LONGITUDE:** -110.38796

UTM SURF EASTINGS: 552200.00 **NORTHINGS:** 4434375.00

FIELD NAME: BRUNDAGE CANYON

LEASE TYPE: 4 - Fee

LEASE NUMBER: Fee **PROPOSED PRODUCING FORMATION(S):** UTELAND BUTTE

SURFACE OWNER: 3 - State **COALBED METHANE:** NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** STATE - 0279065723
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** 49-2204
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit:

- ☐ **R649-3-2. General**
- ☑ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: R649-3-11

Effective Date:

Siting:

- ☑ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:

1 - Exception Location - bhill
5 - Statement of Basis - bhill
12 - Cement Volume (3) - ddoucet
15 - Directional - dmason
23 - Spacing - dmason
25 - Surface Casing - hmacdonald

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GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill

****

Well Name: Appaloosa 9-12D-5-5
API Well Number: 43013515960000
Lease Number: Fee
Surface Owner: STATE
Approval Date: 10/9/2012

Issued to:
APPALOOSA OPERATING COMPANY LLC, 1776 Woodstead Ct., Suite 121, The Woodlands, TX 77380

Authority:
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-11. The expected producing formation or pool is the UTELAND BUTTE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:
Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the “Board”). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon

as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volume for the 5 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to surface as indicated in the submitted drilling plan.

Surface casing shall be cemented to the surface.

Additional Approvals:
The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
  at http://oilgas.ogm.utah.gov
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
  - contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:
The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
  801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
  801-231-8956 - after office hours

Reporting Requirements:
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining,

including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers
Associate Director, Oil & Gas

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: Fee

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
APPALOOSA 9-12D-5-5

2. NAME OF OPERATOR:
APPALOOSA OPERATING COMPANY LLC

9. API NUMBER:
43013515960000

3. ADDRESS OF OPERATOR:
1776 Woodstead Ct., Suite 121 , The Woodlands, TX, 77380

PHONE NUMBER:
832 419-0889 Ext

9. FIELD and POOL or WILDCAT:
BRUNDAGE CANYON

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1550 FSL 0252 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U

COUNTY:
DUCHESNE

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 4/15/2013	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	✓ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Appaloosa intends to commingle production from both the Green River and Wasatch formations in this well.

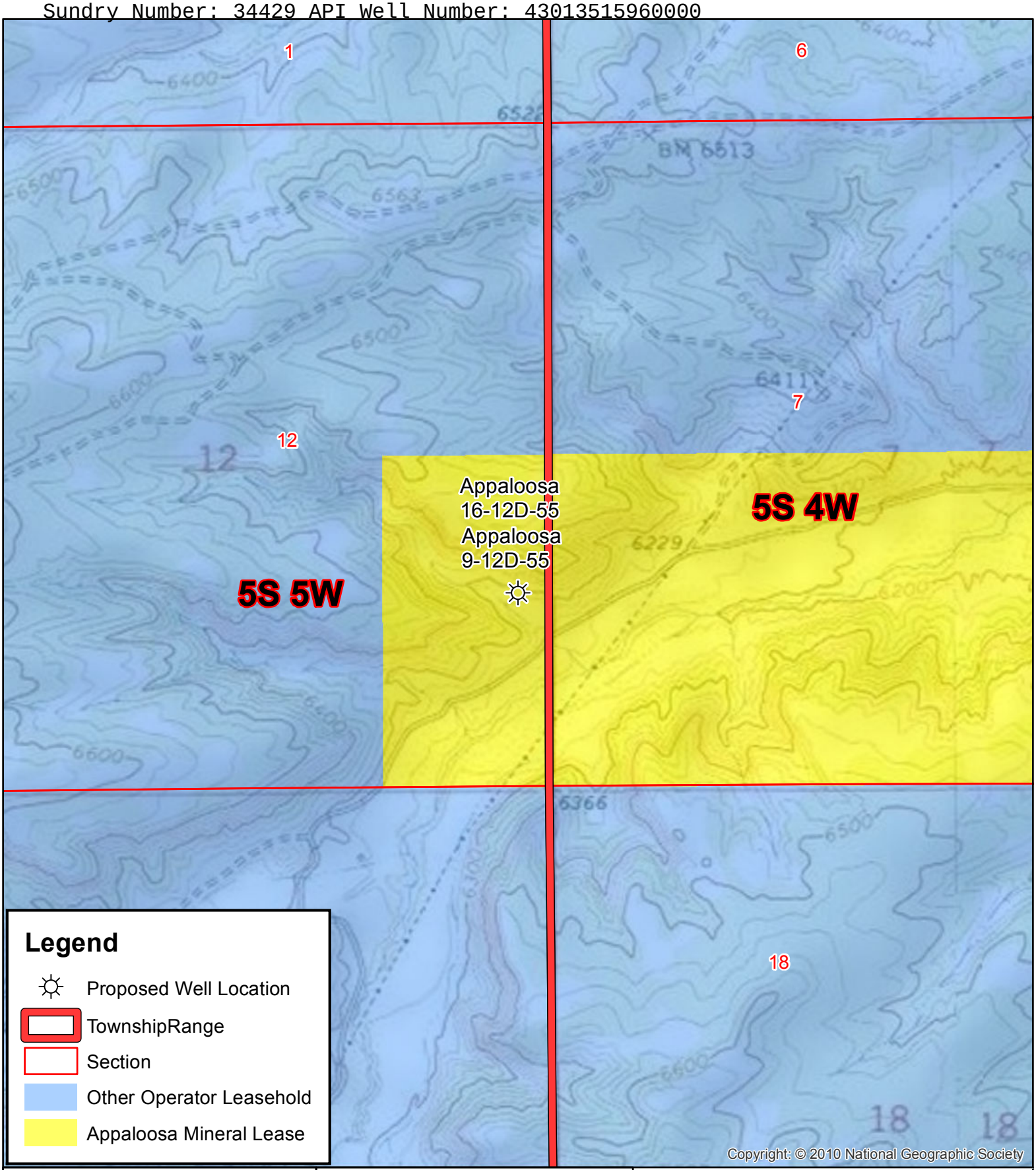
Approved by the Utah Division of Oil, Gas and Mining

Date: February 26, 2013

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Shirl Ames	307 675-6400	Document Control Specialist
SIGNATURE		**DATE**
N/A		2/4/2013

RECEIVED: Feb. 04, 2013



PREPARED FOR:

APPALOOSA ENERGY LLC

CREATED BY:

WOOD GROUP PSN

N

APPALOOSA ENERGY

Appaloosa 9-12D-55
Appaloosa 16-12D-55
SEC. 12, T5S, R5W
Duchesene County, UT

DRAWN BY: MANNY RODRIGUEZ
DATE: 02/04/2013
SCALE: 1 inch = 1,000 feet

MINERAL LEASE MAP

SHEET
A

RECEIVED: Feb. 04, 2013

APPALOOSA ENERGY LLC

1776 Woodstead Ct, Suite 121
The Woodlands, TX 77380

January 30, 2013

Berry Petroleum Company
1999 Broadway, Ste. 3700
Denver, CO 802202

Attn: Dennis Gustafson

Re: Notice to Commingle Production
Appaloosa 9-12D-5-5, Appaloosa 16-12D-5-5, Appaloosa 7-2-5-5, WPS 5-1-5-5 and Smith 11A-7-5-4
Cottonwood Canyon Area
Duchesne County, Utah

Gentlemen,

Appaloosa Operating Company LLC ("Appaloosa") is submitting an Application to Commingle from the Wasatch and Green River formations in the referenced wells. In accordance with Utah Administration Rule R649-3-22 relative to completion into two or more pools, Appaloosa is hereby providing written notice to Berry Petroleum Company of the submission. Please see enclosed copies of the Application to Commingle for each of the referenced wells.

Feel free to contact Brad Posey at 832-418-0889 with any questions.

Sincerely,

Brad Posey
Managing Director

W/Enclosures

AFFIDAVIT OF NOTICE

I, **Brad Posey**, the affiant herein, being of lawful age and duly sworn upon his oath deposes and states as follows:

Brad Posey is a Managing Director of **Appaloosa Operating Company, LLC,** a Delaware Corporation, with headquarters located at 1776 Woodstead Court, Suite 121, The Woodlands, TX 77380, and is duly authorized to make this affidavit on behalf of said corporation.

Appaloosa Operating Company, LLC has submitted notices to commingle production from the Wasatch and Green River formations in the following wells lying within the Lease boundaries of the:

Appaloosa 9-12D-5-5
Appaloosa 16-12D-5-5
WPS 5-1-5-5
Appaloosa 7-2-5-5
Smith 11A-7-5-4

This Affidavit is made in accordance with Utah's Oil, Gas and Mining regulation R649-3-22. As operator, Appaloosa Operating Company LLC has provided notices to the owner(s) of all contiguous oil and gas leases or drilling units overlying the pool for the aforementioned wells to the parties listed below:

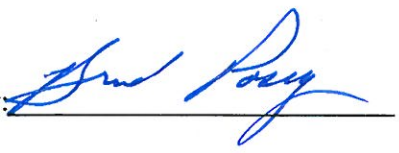
Ute Energy Upstream Holding, L.L.C.
P.O. Box 789
7074 East 900 South
Fort Duchesne, Utah 84026

Berry Petroleum Company
1999 Broadway, Suite 3700
Denver, CO 802202

Attn: Dennis Gustafson

This instrument is executed this 30th day of January, 2013.

Appaloosa Operating Company, LLC

By: 

APPALOOSA ENERGY LLC

1776 Woodstead Ct, Suite 121
The Woodlands, TX 77380

January 30, 2013

Ute Energy Upstream Holding, L.L.C.
P.O. Box 789
7074 East 900 South
Fort Duchesne, Utah 84026

Re: Notice to Commingle Production
Appaloosa 9-12D-5-5, Appaloosa 16-12D-5-5, Appaloosa 7-2-5-5, WPS 5-1-5-5 and Smith 11A-7-5-4
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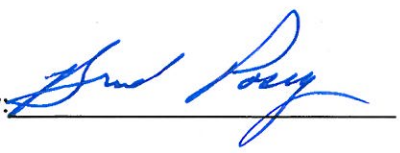
By: 

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: Fee

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
APPALOOSA 9-12D-5-5

2. NAME OF OPERATOR:
APPALOOSA OPERATING COMPANY LLC

9. API NUMBER:
43013515960000

3. ADDRESS OF OPERATOR:
1776 Woodstead Ct., Suite 121 , The Woodlands, TX, 77380

PHONE NUMBER:
832 419-0889 Ext

9. FIELD and POOL or WILDCAT:
BRUNDAGE CANYON

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1550 FSL 0252 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U

COUNTY:
DUCHESNE

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
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	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ SPUD REPORT Date of Spud: 5/10/2013	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

05/10/2013 Leon Ross Drilling T.D 35', Ft. 35', Waiting on Bucket rug.Move in air rig, rig up & spud well @5:15 P.M. May 10, 2013. Drill through hard surface rock &into dry powder dirt air washing out cavern, shut down, wait on bucket rig, will be on location May 13, 2013. 05/13/2013 TD 39', Ft. 4', move in bucket rig, drill to 39', hit hard rock @39', run 20" conductor & cement with ready mix. 05/14/2013 TD 87', Ft. 48', cement 14" Conductor set at 87', Rig-up Air Rig & Drill 17 1/2" hole, run 14" conductor to 87', cement to surface.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
May 15, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Shirl Ames	307 675-6400	Document Control Specialist
SIGNATURE		**DATE**
N/A		5/15/2013

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
Fee

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
APPALOOSA 9-12D-5-5

2. NAME OF OPERATOR:
APPALOOSA OPERATING COMPANY LLC

9. API NUMBER:
43013515960000

3. ADDRESS OF OPERATOR:
1776 Woodstead Ct., Suite 121 , The Woodlands, TX, 77380

PHONE NUMBER:
832 419-0889 Ext

9. FIELD and POOL or WILDCAT:
BRUNDAGE CANYON

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1550 FSL 0252 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U

COUNTY:
DUCHESNE

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 5/15/2013	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER: Dry Spud

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Upon completing the surface operations on the Appaloosa 9-12D-5-5 well, no water was found.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
May 16, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Shirl Ames	307 675-6400	Document Control Specialist
SIGNATURE		**DATE**
N/A		5/16/2013

RECEIVED: May. 16, 2013

API Well Number: 43013515960000 CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: Appaloosa 9-12D-5-5

2. NAME OF OPERATOR: Appaloosa Operating Co.

9. API NUMBER: 4301351596

3. ADDRESS OF OPERATOR: 1776 Woodstead Ct., Su CITY The Woodlands STATE TX ZIP 77380

PHONE NUMBER: (281) 795-6427

10 FIELD AND POOL, OR WILDCAT: Brundage Canyon

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1550' FSL & 252' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 1781' FSL & 486' FEL
AT TOTAL DEPTH: 1997' FSL & 679' FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 12 5S 5W U

12. COUNTY: Duchesne

13. STATE: UTAH

14. DATE SPUDDED: 6/2/2013

15. DATE T.D. REACHED: 6/12/2013

16. DATE COMPLETED: 9/4/2013 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 6293.7' GL, 6310.7' KB

18. TOTAL DEPTH: MD 6,715 TVD 6,680

19. PLUG BACK T.D.: MD 6,666 TVD 6,631

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
COMP. PHOTO DENSITY/COMP. DUAL NEUTRON
DUAL LATEROLOG CBL/GR/CCL

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☐ YES ☑ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12.5	8.625 J-55	24	0	675		G		surface	
7.875	5.5 J-55	15.5	0	6,712	2,821	14.2 p 670		surface	
						14.2 p 650			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS / **27. PERFORATION RECORD**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) Garden Gulch	3,922	4,293			3,922 4,293	.43	96	Open ☑ Squeezed ☐
(B) Upr Douglas Cre	4,369	4,622			4,369 4,622	.43	76	Open ☑ Squeezed ☐
(C) Lwr Dougles Cre	4,830	5,097			4,830 5,097	.43	166	Open ☑ Squeezed ☐
(D) Castle Peak	5,433	5,671			5,433 5,671	.43	146	Open ☑ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

WAS WELL HYDRAULICALLY FRACTURED? YES ☑ NO ☐ IF YES -- DATE FRACTURED: 7/29/2013

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
3922-6577	Frac w/ 765,680# 20/40 white sand + 15,038 bbls 7% and 2.5% KCl water in 7 stages

29. ENCLOSED ATTACHMENTS:

☑ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☑ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: Prod

(5/2013) **(CONTINUED ON BACK)**

RECEIVED: Sep. 30, 2013

API Well Number: 43013515960000 **CONFIDENTIAL**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
9/4/2013	9/4/2013	24		81	68	276	Pump

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
	50	150								

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				Green River	1,798
				Mahogany	2,481
				Garden Gulch	3,294
				Douglas Creek	4,347
				Castle Peak	5,273
				Uteland Butte	5,695
				Wasatch	6,095

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Terrie Hoye TITLE Sr. Geotech

SIGNATURE _____ DATE 9/28/2013

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2013)

RECEIVED: Sep. 30, 2013

CONFIDENTIAL

Additional Information for Appaloosa 9-12D-5-5

26. Additional Producing Intervals

Formation	Top (MD)	Bottom (MD)	Top (TVD)	Bottom (TVD)
Uteland Butte	5754	5967		
Wasatch	6059	6341		
Wasatch	6407	6577		

27. Additional Perforation Records

Interval		Hole Size	No. Holes	Status
5754	5967	0.43	130	Open
6059	6341	0.43	70	Open
6407	6577	0.43	42	Open

RECEIVED: Sep. 30, 2013

Sharewell Energy Services

Survey Certification Sheet

Report Date: 6-12-13

Sharewell Job #: 20130524 / Directional

Operator: **Appaloosa**
Well Name: **9-12D-5-5**
Field: **Brundage Canyon**
API#: **43-013-51596**
County/State: **Duchesne Co, UT**
Well SHL: **1550' FSL & 252' FEL Sec.12-T5S-R5W**
Well SHL: **40° 03' 28.82" N (NAD27)**
110° 23' 14.28" W (NAD27)

Drilling Rig : Frontier 2 (RKB: 24')

Surveyed Dates: 6/02/13-6/08/13
Surveyed from a depth of: OH: 749.00' MD to 6665.00' MD

Type of Survey: MWD Surveys (STB=50')

The data and calculations for this survey have been checked by me and conform to the calibration standards and operational procedures set forth by Sharewell Energy Services. I am authorized and qualified to review the data, calculations and this report, and that the report represents a true and correct Directional Survey of this well based on the original data corrected to True North and obtained at the well site. Wellbore Coordinates are calculated using minimum curvature method.

Rolando Garza

Sharewell Energy Services - Well Planner

15151 SOMMERMEYER ST. HOUSTON, TX 77041
OFFICE 713.983.9818

API Well Number: 43013515960000

CONFIDENTIAL

Appaloosa

Duchesne Co, UT [NAD27}
Sec.12-T5S-R5W
Appaloosa 9-12D-5-5 (New SL)

Wellbore #1

Design: OH

Standard Survey Report

12 June, 2013

Sharewell Energy Services

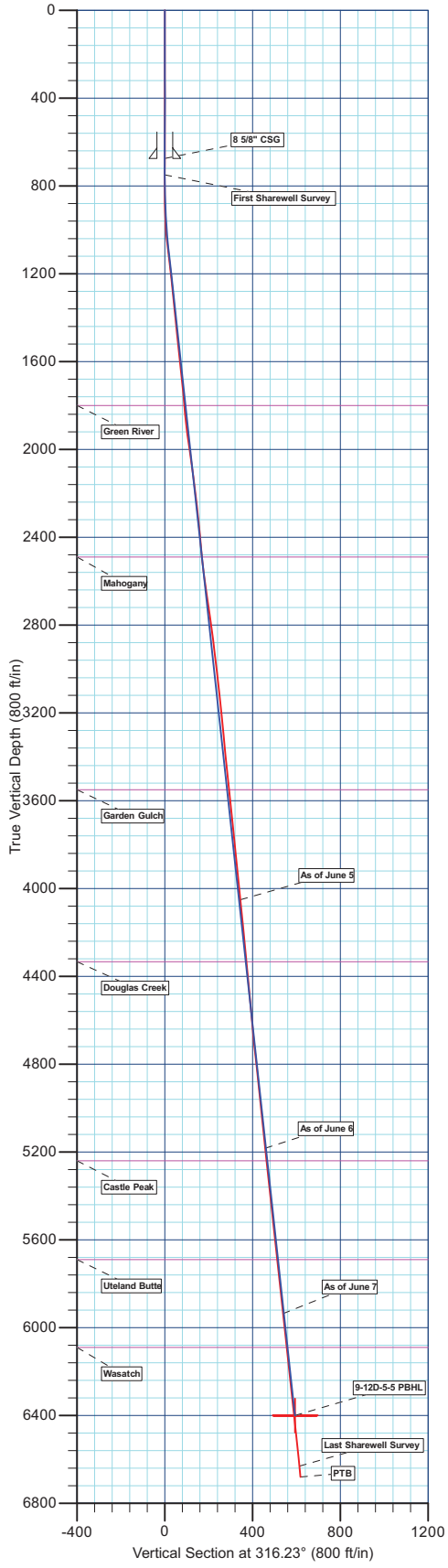
RECEIVED: Sep. 30, 2013

API Well Number: 43013515960000

Appaloosa

Project: Duchesne Co, UT [NAD27}
Site: Sec.12-T5S-R5W
Well: Appaloosa 9-12D-5-5 (New SL)
Wellbore: Wellbore #1
Design: Plan #3 2June13 RG
Latitude: 40° 3' 28.82 N
Longitude: 110° 23' 14.28 W
Ground Level: 6293.90
RKB:17 @ 6310.90ft (Frontier 2)

Sharewell Energy Services



PROJECT DETAILS: Duchesne Co, UT [NAD27}

Geodetic System: US State Plane 1927 (Exact solution)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: Utah Central 4302

System Datum: Mean Sea Level

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well Appaloosa 9-12D-5-5 (New SL), True North
Vertical (TVD) Reference: RKB:17 @ 6310.90ft (Frontier 2)
Section (VS) Reference: Slot - (0.00N, 0.00E)
Measured Depth Reference: RKB:17 @ 6310.90ft (Frontier 2)
Calculation Method: Minimum Curvature

WELL DETAILS: Appaloosa 9-12D-5-5 (New SL)

Ground Level: 6293.90

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	630111.01	2311444.44	40° 3' 28.82 N	110° 23' 14.28 W	

WELLBORE TARGET DETAILS (MAP CO-ORDINATES AND LAT/LONG)

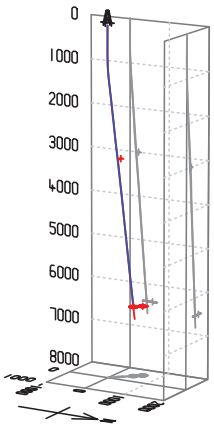
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
9-12D-5-5 PBHL	6400.00	428.11	-410.13	630533.98	2311029.02	40° 3' 33.05 N	110° 23' 19.55 W	Circle (Radius: 100.00)

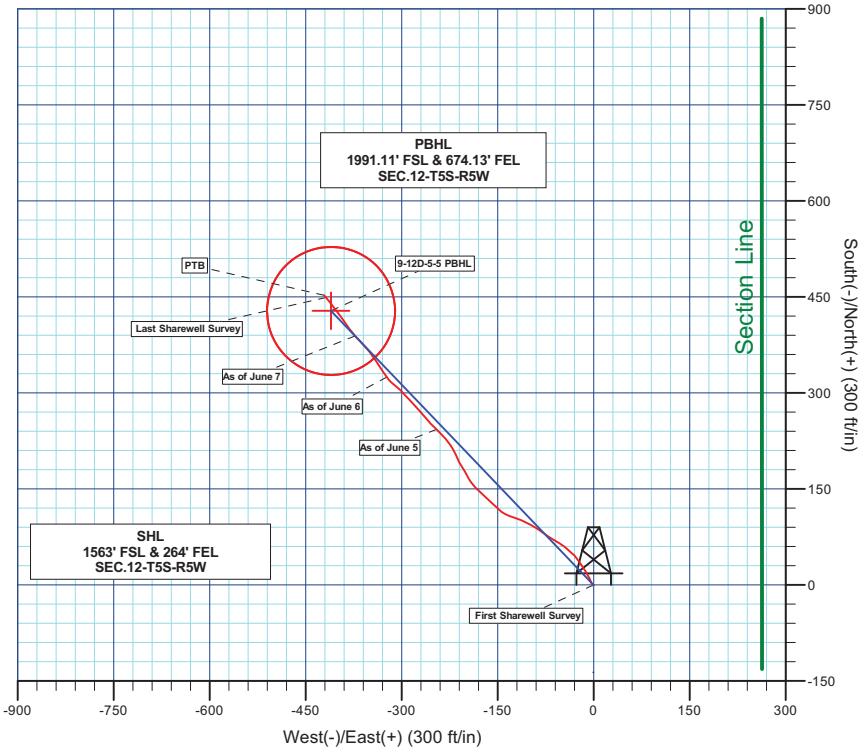
SECTION DETAILS

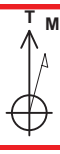
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Annotation
0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
775.00	0.000	0.00	775.00	0.00	0.00	0.00	0.00	0.00	Start DLS 2.00 TFO 316.23
1084.28	6.186	316.23	1083.68	12.04	-11.54	2.00	316.23	16.68	Start 5347.45 hold at 1084.28 MD
6431.73	6.186	316.23	6400.00	428.11	-410.13	0.00	0.00	592.86	TD at 6431.73

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1800.00	1804.80	Green River
2490.00	2498.84	Mahogany
3550.00	3565.04	Garden Gulch
4333.00	4352.63	Douglas Creek
5240.00	5264.94	Castle Peak
5690.00	5717.58	Uteland Butte
6090.00	6119.92	Wasatch







Azimuths to True North
Magnetic North: 11.20°

Magnetic Field
Strength: 52031.8snT
Dip Angle: 65.69°
Date: 06/01/2013
Model: IGRF2010

Plan: Plan #3 2June13 RG (Appaloosa 9-12D-5-5 (New SL)/Wellbore #1)

Created By: Rolando Garza Date: 15:01, June 12 2013

Sharewell
Survey Report

Sharewell Energy Services

Company:	Appaloosa	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5 (New SL)
Project:	Duchesne Co, UT [NAD27}	**TVD Reference:**	RKB:17 @ 6310.90ft (Frontier 2)
Site:	Sec.12-T5S-R5W	**MD Reference:**	RKB:17 @ 6310.90ft (Frontier 2)
Well:	Appaloosa 9-12D-5-5 (New SL)	**North Reference:**	True
Wellbore:	Wellbore #1	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	CompassVM

Project Duchesne Co, UT [NAD27}

Map System:	US State Plane 1927 (Exact solution)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Utah Central 4302		

Site Sec.12-T5S-R5W

Site Position:		**Northing:**	630,111.01 usft	**Latitude:**	40° 3' 28.82 N
From:	Lat/Long	**Easting:**	2,311,444.45 usft	**Longitude:**	110° 23' 14.28 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	1.10 ft	**Grid Convergence:**	0.71 °

Well Appaloosa 9-12D-5-5 (New SL)

Well Position	**+N/-S**	0.00 ft	**Northing:**	630,111.01 usft	**Latitude:**	40° 3' 28.82 N
	+E/-W	0.00 ft	**Easting:**	2,311,444.45 usft	**Longitude:**	110° 23' 14.28 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	6,293.90 ft

Wellbore Wellbore #1

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	06/01/13	11.20	65.69	52,032

Design OH

Audit Notes:

Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	316.23

Survey Program **Date** 06/12/13

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
700.00	6,715.00	OH (Wellbore #1)	MWD	MWD - Standard

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.000	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
749.00	0.800	223.00	749.00	-0.25	-0.23	-0.02	1.63	1.63	0.00
First Sharewell Survey									
845.00	0.700	245.90	844.99	-0.98	-1.23	0.14	0.33	-0.10	23.85
939.00	2.100	342.00	938.97	0.42	-2.28	1.88	2.43	1.49	102.23
1,034.00	6.500	335.50	1,033.68	6.98	-5.05	8.53	4.65	4.63	-6.84
1,130.00	6.900	330.00	1,129.02	16.91	-10.19	19.26	0.79	0.42	-5.73
1,224.00	6.400	327.30	1,222.39	26.21	-15.84	29.89	0.63	-0.53	-2.87
1,320.00	5.900	325.10	1,317.84	34.76	-21.56	40.01	0.58	-0.52	-2.29
1,415.00	5.200	322.10	1,412.39	42.16	-26.99	49.12	0.80	-0.74	-3.16

RECEIVED: Sep. 30, 2013

Sharewell
Survey Report

Sharewell Energy Services

Company:	Appaloosa	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5 (New SL)
Project:	Duchesne Co, UT [NAD27}	**TVD Reference:**	RKB:17 @ 6310.90ft (Frontier 2)
Site:	Sec.12-T5S-R5W	**MD Reference:**	RKB:17 @ 6310.90ft (Frontier 2)
Well:	Appaloosa 9-12D-5-5 (New SL)	**North Reference:**	True
Wellbore:	Wellbore #1	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	CompassVM

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
1,510.00	6.400	312.50	1,506.91	49.14	-33.54	58.69	1.62	1.26	-10.11
1,605.00	6.500	310.90	1,601.30	56.24	-41.51	69.32	0.22	0.11	-1.68
1,700.00	6.000	305.50	1,695.74	62.64	-49.62	79.56	0.81	-0.53	-5.68
1,794.00	5.000	299.00	1,789.31	67.48	-57.20	88.30	1.25	-1.06	-6.91
1,890.00	6.300	301.60	1,884.84	72.27	-65.34	97.39	1.38	1.35	2.71
1,985.00	8.200	305.50	1,979.08	78.93	-75.30	109.09	2.06	2.00	4.11
2,079.00	8.700	303.60	2,072.06	86.76	-86.68	122.61	0.61	0.53	-2.02
2,174.00	7.600	298.80	2,166.10	93.76	-98.17	135.62	1.36	-1.16	-5.05
2,269.00	6.900	295.40	2,260.34	99.24	-108.83	146.95	0.86	-0.74	-3.58
2,363.00	6.100	291.00	2,353.73	103.45	-118.59	156.74	1.00	-0.85	-4.68
2,459.00	5.600	284.80	2,449.23	106.47	-127.88	165.35	0.84	-0.52	-6.46
2,554.00	7.300	297.70	2,543.63	110.46	-137.71	175.03	2.34	1.79	13.58
2,649.00	8.700	313.80	2,637.72	118.24	-148.24	187.94	2.77	1.47	16.95
2,744.00	8.000	310.80	2,731.71	127.54	-158.43	201.70	0.87	-0.74	-3.16
2,838.00	7.100	315.50	2,824.90	135.95	-167.46	214.02	1.16	-0.96	5.00
2,933.00	7.000	311.30	2,919.18	143.96	-175.92	225.65	0.55	-0.11	-4.42
3,027.00	6.900	315.50	3,012.49	151.77	-184.18	237.01	0.55	-0.11	4.47
3,122.00	6.600	326.10	3,106.83	160.37	-191.23	248.09	1.35	-0.32	11.16
3,217.00	6.000	332.10	3,201.26	169.29	-196.59	258.25	0.94	-0.63	6.32
3,312.00	5.400	328.00	3,295.79	177.47	-201.29	267.40	0.76	-0.63	-4.32
3,407.00	5.200	326.00	3,390.38	184.83	-206.06	276.02	0.29	-0.21	-2.11
3,501.00	6.800	335.50	3,483.87	193.43	-210.75	285.47	2.00	1.70	10.11
3,596.00	6.600	335.30	3,578.22	203.51	-215.37	295.94	0.21	-0.21	-0.21
3,691.00	5.800	330.40	3,672.66	212.64	-220.02	305.75	1.01	-0.84	-5.16
3,786.00	6.300	323.30	3,767.14	220.99	-225.51	315.58	0.95	0.53	-7.47
3,881.00	5.300	317.40	3,861.65	228.40	-231.59	325.14	1.22	-1.05	-6.21
3,976.00	6.600	318.40	3,956.13	235.71	-238.19	334.98	1.37	1.37	1.05
4,071.00	5.800	315.00	4,050.58	243.19	-245.20	345.24	0.93	-0.84	-3.58
As of June 5									
4,166.00	5.000	310.30	4,145.16	249.26	-251.76	354.15	0.96	-0.84	-4.95
4,261.00	5.800	320.80	4,239.74	255.66	-257.95	363.06	1.33	0.84	11.05
4,355.00	5.300	319.10	4,333.30	262.62	-263.79	372.13	0.56	-0.53	-1.81
4,450.00	5.100	317.40	4,427.90	269.05	-269.52	380.73	0.27	-0.21	-1.79
4,545.00	6.000	320.10	4,522.46	275.96	-275.57	389.91	0.99	0.95	2.84
4,640.00	4.900	314.20	4,617.03	282.60	-281.66	398.92	1.30	-1.16	-6.21
4,735.00	6.000	316.40	4,711.60	289.03	-287.99	407.94	1.18	1.16	2.32
4,829.00	6.000	320.00	4,805.08	296.35	-294.54	417.75	0.40	0.00	3.83
4,924.00	6.100	315.00	4,899.55	303.72	-301.30	427.75	0.56	0.11	-5.26
5,019.00	6.200	306.60	4,994.01	310.35	-308.99	437.86	0.95	0.11	-8.84
5,115.00	5.900	315.30	5,089.48	316.95	-316.62	447.90	1.00	-0.31	9.06
5,209.00	6.300	326.60	5,182.95	324.69	-322.86	457.81	1.34	0.43	12.02
As of June 6									
5,304.00	5.400	324.00	5,277.45	332.66	-328.35	467.36	0.99	-0.95	-2.74

Sharewell
Survey Report

Sharewell Energy Services

Company:	Appaloosa	**Local Co-ordinate Reference:**	Well Appaloosa 9-12D-5-5 (New SL)
Project:	Duchesne Co, UT [NAD27}	**TVD Reference:**	RKB:17 @ 6310.90ft (Frontier 2)
Site:	Sec.12-T5S-R5W	**MD Reference:**	RKB:17 @ 6310.90ft (Frontier 2)
Well:	Appaloosa 9-12D-5-5 (New SL)	**North Reference:**	True
Wellbore:	Wellbore #1	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	CompassVM

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
5,399.00	6.800	324.80	5,371.91	340.87	-334.22	477.35	1.48	1.47	0.84
5,494.00	6.800	327.20	5,466.24	350.19	-340.51	488.44	0.30	0.00	2.53
5,588.00	6.200	327.20	5,559.64	359.14	-346.28	498.88	0.64	-0.64	0.00
5,683.00	6.300	318.00	5,654.08	367.32	-352.54	509.13	1.06	0.11	-9.68
5,777.00	5.600	316.90	5,747.57	374.50	-359.13	518.87	0.75	-0.74	-1.17
5,872.00	6.200	317.20	5,842.07	381.65	-365.78	528.63	0.63	0.63	0.32
5,967.00	5.700	316.70	5,936.55	388.85	-372.50	538.48	0.53	-0.53	-0.53
As of June 7									
6,062.00	6.600	324.30	6,031.01	396.72	-378.92	548.60	1.28	0.95	8.00
6,157.00	6.600	324.50	6,125.38	405.59	-385.28	559.41	0.02	0.00	0.21
6,251.00	6.500	324.50	6,218.77	414.32	-391.51	570.02	0.11	-0.11	0.00
6,346.00	6.200	322.90	6,313.18	422.79	-397.72	580.44	0.37	-0.32	-1.68
6,441.00	6.200	323.50	6,407.63	431.01	-403.87	590.62	0.07	0.00	0.63
6,536.00	6.000	321.90	6,502.09	439.04	-409.98	600.65	0.28	-0.21	-1.68
6,631.00	5.500	320.80	6,596.61	446.48	-415.93	610.13	0.54	-0.53	-1.16
6,665.00	5.400	320.70	6,630.46	448.98	-417.97	613.35	0.30	-0.29	-0.29
Last Sharewell Survey									
6,715.00	5.400	320.70	6,680.24	452.62	-420.95	618.04	0.00	0.00	0.00
PTB									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
749.00	749.00	-0.25	-0.23	First Sharewell Survey
4,071.00	4,050.58	243.19	-245.20	As of June 5
5,209.00	5,182.95	324.69	-322.86	As of June 6
5,967.00	5,936.55	388.85	-372.50	As of June 7
6,665.00	6,630.46	448.98	-417.97	Last Sharewell Survey
6,715.00	6,680.24	452.62	-420.95	PTB

Checked By: _____ Approved By: _____ Date: _____

UTAH DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining
Oil and Gas Program
1594 West North Temple, Suite 1210, Box 145801
Salt Lake City, UT 84114-5801
(801) 538-5340 Phone
(801) 359-3940 Fax

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆◆

TO THE FOLLOWING OPERATOR:

12 5S 5W

Operator Name: Appaloosa Operating Company, LLC

Mailing Address: Attn: Martin Shields

1776 Woodside CT Suite 121

The Woodlands, TX 77380

Well(s) or Site(s):
(1) WPS 5-1-5-5 API #: 43-013-51583
(2) Appaloosa 7-2-5-5 API #: 43-013-51584
(3) Appaloosa 9-12D-5-5 API #: 43-013-51596 ←
(4) Hand 7-8D-5-4 API #: 43-013-51701
(5) Smith 11A-7-5-4 API #: 43-013-52051

Date and Time of Inspection/Violation: January 2013 through February 2014

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

Description of Violation(s):

Rule R649-3-20, *Gas Flaring Or Venting* – According to Rule R649-3-20, produced gas from an oil well can only be flared up to 3000 Mcf in the first calendar month of production and 1800 Mcf per month thereafter without approval. If an operator desires to produce a well for the purpose of testing and evaluation beyond the time allowed by R649-3-19 and vent or flare gas in excess of the aforementioned limits of gas venting or flaring, the operator shall make written request for administrative action by the Division to allow gas venting or flaring during such testing and evaluation

Appaloosa Operating Company LLC (Appaloosa) has reported no transported gas volumes, a flat 1800 Mcf flared volume per month, and the balance of gas produced reported as gas used on site volumes on the above referenced wells. Gas volumes used on site are not metered or determined from manufacturer's equipment usage estimates. Inspection reports submitted by the Division field inspector indicate more gas is being flared than the amount being reported on the above on the above referenced wells. Review of gas production and disposition reported volumes indicates wide variance of used on site volumes while days produced is rather consistent. This would indicate incorrect reporting of actual flared volumes and the need to seek Board approval to flare in excess of the rules.

Immediate Action: These wells are in violation of R-649-3-20 as listed above. Appaloosa shall immediately alleviate the noncompliance by marketing the gas or restricting flaring to the allowable rate. Also Appaloosa shall provide a more accurate measure of gas used on site by metering, well tests, or the used of manufacturers estimated equipment gas usage to more accurately report gas used on site. If such restriction of production is not possible Appaloosa shall immediately submit a Request for Agency Action and appear before the Board to provide justification of such venting or flaring pursuant to R649-3-20(5). The Division will notify the appropriate governmental taxing and royalty agencies of this unapproved venting or flaring and of any subsequent Board action.

UTAH DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining
Oil and Gas Program
1594 West North Temple, Suite 1210, Box 145801
Salt Lake City, UT 84114-5801
(801) 538-5340 Phone
(801) 359-3940 Fax

- **The Board may authorize recovery of fines of $5,000 per day for violation of any rule, or order and up to $10,000.00 per day for willful violations U.C.A 40-6-11, part 4**

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining. Failure to comply with this notice will result in the Division pursuing further actions against said operator.

Compliance Deadline: July 15, 2014

Date of Service Mailing: June 18, 2014 **Certified Mail No.:** 7003 2260 0003 2358 7356

Division Representative Signature
Name and Title: Randy Thackeray, Lead Auditor
Phone: (801) 538-5316

Operator Representative (if presented in person)

cc: Compliance File
Well File
Mike Johnson, Board of Oil, Gas and Mining
Ruland Gill, Board Chair
Steve Alder, DOGM
Jennifer Casady, Utah Tax Commission

1/2013

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(801) 538-5340 Phone

SATISFACTORY CLOSURE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

TO THE FOLLOWING OPERATOR:

Name: Appaloosa Operating Company, LLC
Attention: Martin Shields
Mailing Address: 1776 Woodstead CT, Suite 121
The Woodlands, TX 77380

12 5S 5W

Well or Site:	(1) WPS 5-1-5-5	API#: 43-013-51583
	(2) Appaloosa 7-2-5-5	API#: 43-013-51584
	(3) Appaloosa 9-12D-5-5	API#: 43-013-51596
	(4) Hand 7-8D-5-4	API#: 43-013-51701
	(5) Smith 11A-7-5-4	API#: 43-013-52051

THIS DOCUMENT BRINGS CLOSURE TO A NOTICE OF VIOLATION SENT TO THE ABOVE OPERATOR AND DATED: June 18, 2014

The Utah Division of Oil, Gas and Mining hereby acknowledges that the alleged violation of the act, rules or permit conditions as described below (as pertaining to the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended), has been satisfactorily resolved in a manner acceptable to the division.

Description of Violation(s): Rule R649--3-20, *Gas Flaring or Venting* – According to Rule R649-3-20, produced gas from an oil well can only be flared up to 3000 Mcf in the first calendar month of production and 1800 Mcf per month thereafter without approval. If an operator desires to produce a well for the purpose of testing and evaluation beyond the time allowed by R649-3-19 and vent or flare gas in excess of the aforementioned limits of gas venting or flaring, the operator shall make written request for administrative action by the Division to allow gas venting or flaring during such testing and evaluation

Appaloosa Operating Company LLC (Appaloosa) has reported no transported gas volumes, a flat 1800 Mcf flared volume per month, and the balance of gas produced reported as gas used on site volumes on the above referenced wells. Gas volumes used on site are not metered or determined from manufacturer's equipment usage estimates. Inspection reports submitted by the Division field inspector indicate more gas is being flared than the amount being reported on the above referenced wells. Review of gas production and disposition reported volumes indicates wide variance of used on site volumes while days produced is rather consistent. This would indicate incorrect reporting of actual flared volumes and the need to seek Board approval to flare in excess of the rules.

The following action was taken by the operator: Appaloosa has taken the following actions to be complaint with the immediate action requested by the Division in the Notice of Violation:

1, Appaloosa has alleviated noncompliance by restricting production to flare gas within the allowable limit until such time pipelines can be connected to the Newfield gathering system.
2. Appaloosa has provided a more accurate measurement of gas used on site by the use of manufacturers' estimated equipment gas usage to more accurately reflect gas used on site.
3. Appaloosa has amended monthly production/disposition reports to more accurately state production/disposition volumes, volumes used on site, and flare volumes.

No further action will be taken by the Division concerning this matter. **MATTER CLOSED:** **September 5, 2014**

Division Representative Signature: Randy M. Thackeray Date: 9/10/14

Name and Title: Randy M Thackeray, Lead Auditor Phone: 801-538-5316

cc: Compliance File
Well File
Ruland Gill, Chairman, Board of Oil, Gas and Mining
Mike Johnson, Board of Oil, Gas and Mining Counsel
Steve Alder, DOGM Counsel
Jennifer Casady, Utah Tax Commission
Jim Allen, Appaloosa Counsel

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
Fee

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
APPALOOSA 9-12D-5-5

2. NAME OF OPERATOR:
APPALOOSA OPERATING COMPANY LLC

9. API NUMBER:
43013515960000

3. ADDRESS OF OPERATOR:
1776 Woodstead Ct., Suite 121 , The Woodlands, TX, 77380

PHONE NUMBER:
832 419-0889 Ext

9. FIELD and POOL or WILDCAT:
BRUNDAGE CANYON

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1550 FSL 0252 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NESE Section: 12 Township: 05.0S Range: 05.0W Meridian: U

COUNTY:
DUCHESNE

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/4/2013	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Form 7 attached

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
July 20, 2015

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Terrie Hoye	713 410-9479	Sr. Geotech
SIGNATURE		**DATE**
N/A		7/20/2015

RECEIVED: Jul. 20, 2015

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: Appaloosa 9-12D-5-5

API number: 4301351596

Well Location: QQ NESE Section 12 Township 5S Range 5W County Duchesne

Well operator: Appaloosa Operating Company LLC

Address: PO Box 7280

city The Woodlands state TX zip 77387 Phone: (832) 419-0889

Drilling contractor: Leon Ross Construction

Address: 3000 W 1250 South

city Roosevelt state UT zip 84066 Phone: (435) 722-4469

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
200			trona
690			trona

Formation tops: (Top to Bottom)

1 _____ 2 _____ 3 _____

4 _____ 5 _____ 6 _____

7 _____ 8 _____ 9 _____

10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Terrie Hoye TITLE Sr. Geotech

SIGNATURE _____ DATE 7/20/2015

(5/2000)

RECEIVED: Jul. 20, 2015